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JEHANGIR BOMANJEE PETIT.

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REPORT

OF

The Millowners' Association, Bombay.

For the year 1931.

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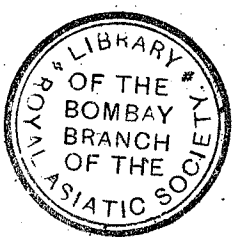

(*Established* 1st *February* 1875.)

PRESENTED TO THE ANNUAL GENERAL MEETING HELD ON 23rd FEBRUARY 1932.

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THE MILLOWNERS' ASSOCIATION, BOMBAY.

REPORT FOR THE YEAR 1931.

LIST OF CONTENTS.

		PAGES.
SECTION I.	Proceedings of the Annual General Meeting held on 23rd February 1932	*i—vii*
SECTION II.	Foreword—Abstracts of subjects dealt with by the Committee during the year—Accounts of the Association for the year ending 31st December 1931	i-v, 1—78
SECTION III.	Correspondence	79—282
SECTION IV.	Financial Statement of the Government of India for the year 1932-33	283—312
SECTION V.	Statistics	313—359
SECTION VI.	Rules and Regulations of the Association, etc. ..	*i—xliii*

CONTENTS.

	PAGE.
Accident Prevention in Industries—Recommendations of the XII Session of the International Labour Conference	10, 92
Accountancy Board, Indian	60, 233
Accounts of the Association	76
African cotton—standards of	27, 149
Arbitrators and Umpires	3
Artificial Silk Piecegoods—increase in import duty	42, 187
Association's representatives on public bodies :—	
(*a*) Bombay Improvement Trust	2
(*b*) Bombay Port Trust	1
(*c*) Bombay Smoke Nuisances Commission	2
(*d*) Empire Cotton Growing Corporation	2
(*e*) G. I. P. Railway Local Advisory Committee	2
(*f*) Indian Central Cotton Committee	1
(*g*) Sydenham College of Commerce and Economics	2
Auditors of the Association	4
Auditors—Rules for the certification of	60, 233
Bank Rate	19, 108
Budget proposals—Supplementary—of the Government of India	20, 109
Chairman, Deputy Chairman and Committee	1
City Civil Court for Bombay	59, 227
Cloth and Yarn Stocks in Bombay Mills	71
Coal—railway freight on	68, 247
Cotton Congress—International	36
Cotton, Egyptian—percentage of moisture	37, 168
Cotton, Indian—defects in	36
Cotton, Indian—Improvement of	23, 144
Cotton—proposed duty on imports	20
Cotton—proposed cess on exports	40, 178
Cotton—railway freight on	41, 179
Cotton—raw—Stocks in Bombay Mills	72
Cotton Contracts Act Committee	28, 154
Congress and Japanese competition with Indian Mills	65
Currency situation—suspension of the Gold Exchange standard	16
Decrees—enforcement of	61, 233
Delhi—terminal tax on piecegoods	45, 192
Depreciation—allowance for working double shifts	54, 222
Donations	70
Duty on imported cotton	20
Economic Organization for India	58, 226
Egyptian cotton—percentage of moisture	37, 168
Federation of Indian Chambers—proposed establishment of a Textile Section	64
Financial Results of the Mill Industry for 1930	74
First Aid—Training of Mill Operatives	12, 102
Flood Relief in Bengal and the Konkan	71
Franchise—proposed extension of	62, 237
Fumigation charges	38, 175
Girni Samachar	74
Gold Exchange Standard—suspension of—in India	16

PAGE.

Goods Service between Bombay and Shalimar 67
Government Demonstration Weaving Factory, Punjab 69, 248
Imported piecegoods—record of prices of 69
Income-tax :—
(*a*) Proposed increases in rates 21, 131
(*b*) Refund of tax paid 53, 221
(*c*) Taxation of incomes earned abroad 45, 192
Indian Stores Department 63, 243
Irwin, Lord—Farewell address to 9, 90
Legislative Assembly—continuous representation of the Association 4, 81
Keith Robinson Visual Education Service 74
Magnesium Chloride Industry—protection to 55
Membership of the Association 4
Mill holidays and pay-days for 1932 72
Municipal assessment of Bombay Cotton Mills 13
Partnership Bill 58, 225
Provident Fund Rules of the Association 9
Rating Tribunal for Bombay 13, 106
Registrable Trade Marks 9
Salter, Sir Arthur—visit to India 58
Sassoon, Sir Victor—departure from India, of 9
Standing Orders for Mill Operatives 4, 82
Super-tax on investment companies 51, 219
Tariff Valuations under the Indian Tariff Act 71, 249
Testing House—Proposed establishment of—in Bombay 38, 168
Textile Directory : Where to Buy Indian Piecegoods and Yarn 69
Toka Lands—assessment of 16
Trade Marks—registration of 7, 88
Trade Numbers—registration of 6
Victoria Terminus—Show-room 70
Yarn and Cloth Stocks held by Bombay Mills 71
Yarn labels for use by member mills 70
Yarn, Indian mill-made—defects in 66, 245

MILLOWNERS' ASSOCIATION, BOMBAY.

ESTABLISHED 1st FEBRUARY 1875.

List of Members.

Ahmedabad Advance Mills, Limited.
Apollo Mills, Limited.
Bengal Laxmi Cotton Mills, Limited.
Bengal-Nagpur Cotton Mills Company, Limited, Rajnandgaon.
Berar Manufacturing Company, Limited, Badnera.
Bhagirath Spinning, Weaving and Manufacturing Company, Limited.
Birla Cotton Spinning and Weaving Company, Limited, Delhi.
Bombay Dyeing and Manufacturing Company, Limited.
Bradbury Mills, Limited.
Burhanpur Tapti Mill, Limited.
Central India Spinning, Weaving and Manufacturing Company, Limited.
Century Spinning and Manufacturing Company, Limited.
Ceylon Spinning and Weaving Company, Limited.
Coimbatore Spinning and Weaving Company, Limited.
Colaba Land and Mill Company, Limited.
Coorla Spinning and Weaving Company, Limited.
Crescent Mills Company, Limited.
Crown Spinning and Manufacturing Company, Limited.
Currimbhoy Mills Company, Limited.
David Mills Company, Limited.
Dawn Mills Company, Limited.
Ebrahimbhoy Padaney Mills Company, Limited.
Edward Sassoon Mills, Limited.
E. D. Sassoon United Mills, Limited.
Elphinstone Spinning and Weaving Mills Company, Limited.
Fazulbhoy Mills, Limited.
Finlay Mills, Limited.
Framjee Petit Spinning and Manufacturing Company, Limited.
Gokak Mills, Limited.
Gold Mohur Mills, Limited.
Hindoostan Spinning and Weaving Mills Company, Limited.
Hyderabad (Deccan) Spinning and Weaving Company, Limited.
Indian Bleaching, Dyeing and Printing Works, Limited.
Indian Manufacturing Company, Limited.
Indian Woollen Mills.
Indore-Malwa United Mills, Limited.
Jam Shri Ranjitsinghjee Spinning and Weaving Mills Company, Limited.
Jubilee Mills, Limited.
Kastoorchand Mills Company, Limited.
Khandeish Spinning and Weaving Mills Company, Limited.
Khatau Makanji Spinning and Weaving Company, Limited.
Kohinoor Mills Company, Limited.
Krishna Press.
Lakshmi Cotton Manufacturing Company, Limited.
Loyal Mills, Limited.
Madhowji Dharamsi Manufacturing Company, Limited.
Madras United Spinning and Weaving Mills Company, Limited.
Madura Mills Company, Limited (Madura, Tuticorin and Ambasamudram).
Mahaboob Shahi Kulburga Mills Company, Limited.
Manockjee Petit Manufacturing Company, Limited.
Meyer Sassoon Mills, Limited.
Minerva Mills, Limited.
Model Mills (Nagpur), Limited.
Moon Mills, Limited.
Morarjee Goculdas Spinning and Weaving Company, Limited.
Mysore Spinning and Manufacturing Company, Limited, Nos. 1 & 2.
New China Mills, Ltd.
New City of Bombay Manufacturing Company, Limited.
New Great Eastern Spinning and Weaving Company, Limited.
New Jamner Ginning, Pressing and Manufacturing Company, Limited.
New Kaiser-i-Hind Spinning and Weaving Company, Limited.
New Victoria Mills, Limited, Cawnpore.
Osman Shahi Mills, Limited.
Pearl Mills, Limited.
Phœnix Mills, Limited.
Prabhat Mills, Limited.
Pralhad Mills, Limited.
Pulgaon Cotton Spinning, Weaving and Manufacturing Company, Limited.
Rai Bahadur Bunsilal Abirchand Spinning and Weaving Mill.
Raja Bahadur Motilal Poona Mills, Limited.
Raymond Woollen Mills, Limited.
Sassoon and Alliance Silk Mill Company, Limited.
Sassoon Spinning and Weaving Company, Limited.
Satya Mill, Limited.
Sholapoor Spinning and Weaving Company, Limited.
Simplex Mills, Limited.
Sir Shapurji Broacha Mills, Limited.
Sri Shahu Chatrapati Mills.
Standard Mills Company, Limited.
Sultania Cotton Manufacturing Company, Limited.
Svadeshi Mills Company, Limited.
Swan Mills, Limited.
Tata Mills, Limited.
Union Mills.
Victoria Mills, Limited.
Vishnu Cotton Mill, Limited.
Western India Spinning and Manufacturing Company, Limited.

ASSOCIATION'S REPRESENTATIVES.

Legislative Assembly—Mr. H. P. Mody.
Bombay Legislative Council—Mr. Jehangir B. Petit.
City of Bombay Improvement Trust—Mr. Ahmed F. Currimbhoy.
Bombay Port Trust—Mr. A. Geddis.
Victoria Jubilee Technical Institute—Mr. Jehangir B. Petit and Mr. V. N. Chandavarkar.
Bombay Smoke Nuisances Commission—Mr. J. D. Pember and Mr. W. A. Sutherland.
Sydenham College of Commerce Advisory Board—Mr. T. V. Baddeley.
Indian Central Cotton Committee—Mr. S. D. Saklatvala.
Empire Cotton Growing Corporation—Mr. R. J. Udani.
Development of Bombay—Advisory Committee—Mr. Jehangir B. Petit.
G. I. P. Railway Advisory Committee—Mr. A. Geddis.
B. B. & C. I. Railway Advisory Committee—Mr. H. P. Mody.
Excise Advisory Committee—Mr. Ahmed F. Currimbhoy.
Nowrosji Wadia Maternity Hospital Board of Management—Mr. N. B. Saklatvala, C.I.E., and Mr. H. P. Mody.
Municipal Corporation—Mr. H. P. Mody.
University of Bombay—Mr. Jehangir B. Petit.

COMMITTEE FOR 1932.

H. P. Mody, Esq. (*Chairman*).
Ahmed F. Currimbhoy, Esq. (*Dy. Chairman*).
Sir Ness Wadia, K.B.E., C.I.E.
The Hon'ble Sir Dinshaw E. Wacha, Kt.
Sir Munmohandas Ramji, Kt.
Sir Cusrow Wadia, Kt., C.I.E.
T. V. Baddeley, Esq.
F. E. Dinshaw, Esq.
A. Geddis, Esq.
H. H. Lakin, Esq.
Lalji Naranji, Esq.
H. F. Milne, Esq.
Jehangir B. Petit, Esq.
Ratansi D. Morarji, Esq.
Albert Raymond, Esq.
N. B. Saklatvala, Esq., C.I.E.
S. D. Saklatvala, Esq.
H. H. Sawyer, Esq.
F. Stones, Esq., O.B.E.
Madhavji D. Thackersey, Esq.

T. Maloney, Esq., M.C., *Secretary*.
A. C. M. Cursetjee, Esq., *Asstt. Secretary*.

TRUSTEES OF ASSOCIATION'S FUNDS.

General Fund:—Mr. H. P. Mody and Mr. Ratansi D. Morarji.
Provident Fund:—Mr. S. D. Saklatvala and Mr. H. P. Mody.

CHAIRMEN AND SECRETARIES OF THE MILLOWNERS' ASSOCIATION, BOMBAY.

Chairmen.

H. MAXWELL, 1875, 1876-77, 1877-78.

J. A. FORBES, 1878-79.

SIR DINSHAW MANECKJI PETIT, 1879-80, 1880-81, 1881-82, 1882-83, 1883-84, 1884-85, 1886-87, 1888-89, 1889-90, 1891, 1892.

SIR GEORGE COTTON, 1893, 1894, 1895, 1896, 1897, 1898, 1899*, 1900*.

JOHN R. GREAVES, 1899*, 1900*, 1901, 1902.

BOMANJEE DINSHAW PETIT, 1903.

SIR SASSOON J. DAVID, 1904, 1905.

SIR VITHALDAS DAMODHER THACKERSEY, 1906, 1907.

SIR FAZULBHOY CURRIMBHOY, 1908.

SIR MANMOHANDAS RAMJEE, 1909.

HERBERT R. GREAVES, 1910.

SIR NESS WADIA, 1911.

SIR DINSHAW M. PETIT, 1912.

J. F. BRADBURY, 1913.

NAROTTAM MORARJEE, 1914.

JEHANGIR B. PETIT, 1915.

N. B. SAKLATVALA, 1916.

SIR DINSHAW E. WACHA, 1917.

SIR CUSROW WADIA, 1918.

N. G. HUNT, 1919.

RAHIMTOOLA CURRIMBHOY, 1920.

SIR JOSEPH KAY, 1921, 1922.

SIR VICTOR SASSOON, 1923.

S. D. SAKLATVALA, 1924.

SIR NESS WADIA, 1925.

A. GEDDIS, 1926.

H. P. MODY, 1927.

J. B. PETIT, 1928.

H. P. MODY, 1929, 1930, 1931, 1932.

Secretaries.

JOHN GORDON, 1875-84.

DAVID WATSON (Acting), 1881-82.

JOHN MARSHALL, 1884-98.

FREDERICK NOEL-PATON, 1898-1905.

J. B. LESLIE-ROGERS, 1905-11.

R. E. GREGOR-PEARSE, 1912-20.

C. B. SAYER, 1921-24.

T. MALONEY, appointed 1924.

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* Part Year.

Millowners' Association, Bombay.

Section I.

PROCEEDINGS OF THE ANNUAL GENERAL MEETING HELD ON 23rd FEBRUARY 1932.

Millowners' Association, Bombay.

ANNUAL GENERAL MEETING.

PROCEEDINGS OF THE ANNUAL GENERAL MEETING of the Members of the Millowners' Association, Bombay, held in the rooms of the Association (Patel House, Churchgate Street, Fort,) at 11-30 a.m. (S.T.) on Tuesday the 23rd February 1932, to transact the following business :—

1. To receive and adopt the Committee's Report for the year 1930 ;

2. To appoint Auditors of the Association's accounts for the current year and to fix their remuneration ;

and any other business that may be brought forward.

MR. H. P. MODY, M.L.A., Chairman of the Association, presided.

The following gentlemen were also present :—

Mr. T. W. Johnstone, M.B.E., Chief Inspector of Factories ; Mr. N. A. Mehrban of the Labour Office, Bombay ; Mr. B. N. Karanjia and Mr. J. K. Mehta of the Indian Merchants' Chamber ; Mr. R. J. F. Sulivan of the Chamber of Commerce ; Mr. E. J. Fells of the *Times of India* ; Mr. T. V. Baddeley, representing the Simplex Mills Co., Ltd. ; the Hon'ble Sir Dinshaw E. Wacha, Kt., representing the Berar Manufacturing Co., Ltd. ; Sir Ness Wadia, K.B.E., C.I.E., representing the Bombay Dyeing and Manufacturing Co., Ltd. ; Mr. Ahmed F. Currimbhoy, representing the Bradbury Mills, Ltd., the Ceylon Spg. & Wvg. Co., Ltd., the Crescent Mills Co., Ltd., the Currimbhoy Mills Co., Ltd., the Indian Bleaching, Dyeing and Printing Works, Ltd., the Ebrahimbhoy Pabaney Mills Co., Ltd., the Fazulbhoy Mills, Ltd., the Kastoorchand Mills Co., Ltd., the Osmanshahi Mills, Ltd. and the Pearl Mills, Ltd. ; Sir Joseph Kay, Kt., Mr. H. H. Lakin and Mr. A. H. Baker, representing the Colaba Land and Mill Co., Ltd., the New City of Bombay Mfg. Co., Ltd., and the New Great Eastern Spg. & Wvg. Co., Ltd. ; Mr. H. F. Milne, representing the Kohinoor Mills Co., Ltd. ; Mr. Lalji Naranji and Mr. Cavasji Cursetji Dalal, representing the Khandeish Spg. & Wvg. Mills Co., Ltd., and the Jam Shri Ranjitsinghji Spg. & Wvg. Mills Co. Ltd. ; Mr. Jehangir B. Petit, representing the Framjee Petit Spg. & Mfg. Co., Ltd., and the Manockjee Petit Mfg. Co., Ltd. ; Mr. Albert Raymond and Mr. F. Stones, O.B.E., representing the Apollo Mills, Ltd., the David Mills Co., Ltd., the E. D. Sassoon United Mills, Ltd., the Edward Sassoon Mills, Ltd., the Elphinstone Spg. & Wvg. Mills Co., Ltd., the Meyer Sassoon Mills, Ltd., and the Loyal Mills Ltd. ; Mr. N. B. Saklatvala, C.I.E., and Mr. S. D. Saklatvala, representing the Ahmedabad Advance Mills, Ltd., the Central India Spg., Wvg. & Mfg. Co., Ltd., the Svadeshi Mills Co., Ltd., and the Tata Mills, Ltd. ; Mr. H. H. Sawyer, representing the Sassoon and Alliance Silk Mills Co., Ltd., the Sassoon Spg. & Wvg. Co., Ltd., and the Union Mills ; Mr. Madhavji D. Thackersey, representing the Crown Spg. & Mfg. Co., Ltd., the Hindoostan Spg. & Wvg. Mills Co., Ltd., the Indian Mfg. Co., Ltd., and the Western India Spg. & Mfg. Co., Ltd. ; Mr. D. N. Sirur and Mr. V. N. Chandavarkar, representing the Mysore Spg. & Mfg. Co., Ltd. and the Minerva Mills, Ltd. ; Mr. E. J. Bunbury, representing the Gokak Mills, Ltd. ; Mr. Kaikobad Cawasjee Dinshaw, representing the Burhanpur-Tapti Mill, Ltd. ; Mr. L. A. Halsall, representing the Hyderabad (Deccan) Spg. & Wvg. Co., Ltd. ; Mr. Alwyn Ezra, representing the Dawn Mills Co., Ltd. ; Mr. Govindlal Shivlal Motilal, representing the Raja Bahadur Motilal Poona Mills, Ltd. ; Mr. Ramnivas Ramnarain, representing the Phœnix Mills, Ltd. ; Mr. T. Maloney (*Secretary*) ; and Mr. A. C. M. Cursetjee (*Assistant Secretary*).

After the Notice convening the Meeting was read by the Secretary, the CHAIRMAN, in opening the proceedings, said :—

In my speech at the last Annual General Meeting, I struck a note of optimism which subsequent events have proved unjustified. I was following the lead of some of the most eminent financiers and bankers in Europe and America. They weighed all the known factors in the international situation, and came to the conclusion that a sorely-tried world was at last treading the path of salvation. The year, however, proved to be one of the most disastrous in financial history. Commodity prices continued their headlong downward course, and stocks of raw materials and manufactured articles assumed abnormal proportions throughout the world. More and more gold gravitated towards the vaults of France and the United States, credits became frozen, wholesale failures of banks and commercial houses took place, and some of the debtor nations reached the verge of bankruptcy. Many foolish remedies were suggested, many heroic ones were adopted, but the malady from which the world was suffering seemed to grow from bad to worse. The enormous resources in money and brain-power of even the most advanced countries completely failed to right the situation. It seemed as if the structure of the modern world was about to collapse, and the civilization built up by the machine age was heading towards ruin.

It was in these circumstances that the Hoover Moratorium came into being. It was like a healing balm poured upon a stricken world. It averted, for the time being at any rate, a collapse which was imminent, and gave a breathing space for recuperation. Hope which had departed from men's hearts revived, and a wave of optimism swept creditor and debtor nations alike. It was soon perceived, however, that the ills from which humanity was suffering could not be cured by a few whiffs of oxygen, and shortly afterwards the mightiest nation in the world was forced off the gold standard. It was a step which had become inevitable, and many eminent financial authorities hailed it as an event of supreme importance to the rapidly shrinking trade and industry of Great Britain. Other countries did the same, but the deliverance of the world from the chaos and confusion which has confronted it on every side has not come about, and the menace to civilization has by no means disappeared. The debts and reparations problem still stands in all its complexity ; the nations of the world are barricading themselves behind higher and higher tariffs ; the growth of armaments in most countries continues unchecked ; the purchasing power of the world has not materially appreciated ; currencies are not stabilized ; and credits remain frozen.

The situation is one which might depress even Mark Tapley, but a too pessimistic outlook would certainly be a mistake. Slowly, very slowly, the world is moving towards a real and practical recognition of the root causes of the ills from which it is suffering, and the acutest minds in the age are being concentrated on the task of evolving order out of chaos. Within the next few months, the great Powers will be engaged in examining questions of vital import to the future of the world, and the stern realization that is being forced upon them, that no nation can afford to pursue a narrow, selfish policy, must help in hammering out a solution. In the United States, a scheme of far-reaching importance for the purpose of liquefying a part of her enormous frozen assets, has already been undertaken. In these and other measures, we may see the signs of the beginnings of a concerted movement towards the restoration of normal conditions. The path is long and winding ; and at many points, the steps taken may have to be retraced but we may hope that at long last, the journey's end is in sight.

Turning to conditions nearer home, the outstanding events of the year were the conclusion of the Irwin-Gandhi Truce, and the providential fall of the rupee from the high pedestal where it had been perched, and where it was feeling very uncomfortable and insecure in spite of all the desperate efforts to prop it up. The suspension of the Civil Disobedience Movement was received throughout the land with unbounded satisfaction, and an era of political tranquillity and economic recovery was anticipated. The blight which had fallen on the trade of the country seemed about to be lifted, and for a time there was buoyancy in the markets for all commodities. Economic facts are, however, very stubborn, and cannot be radically altered by a change in the mental outlook. The hopeless mess into which the world had got made it impossible for India to recuperate, and acute distress prevailed in the land owing to the fresh low levels to which commodity prices sank. A dramatic change in the

situation came about, however, when one fine morning a startled world heard that England had decided to desert the Gold Standard, to which she had been desperately clinging in spite of considerable difficulties. Before the implications of this momentous announcement, as it affected India, could be properly appreciated, out came an Ordinance issued by His Excellency the Viceroy relieving the Government of India of the obligation imposed upon them by statute to give gold or sterling in return for rupees or currency notes. It was the right step to take, and the Finance Member of the Government of India was certainly acting in the best interests of the country, when he took the only course of action that was open to him, if he was to discharge his duty as the custodian of India's finances. An unpleasant surprise was in store, however, for everybody, including perhaps the Finance Member himself, when, within a few hours of his dramatic announcement in the Legislative Assembly, the Secretary of State told the Federal Structure Sub-Committee of the Round Table Conference in England that it had been decided to link the rupee to sterling. In the long history of the British connection with India, no action has more blatantly proclaimed the utter irresponsibility of those who control the destinies of India than this fiat of the Secretary of State. The Legislature of a country supposed to enjoy a certain measure of responsible government was in session ; and without the slightest reference to it—possibly without a reference even to the Government charged with the administration of the country—a Secretary of State, new to the vast and complicated problems which a national emergency had suddenly placed him in a position to handle, issues a decree calculated profoundly to affect the fortunes of 350 millions of people. After this unexampled display of autocracy, can anyone be surprised if Indian opinion should be hardened in the demand for a real and effective control over the financial machinery of the country ? On the merits or demerits of the steps taken, I do not propose to speak. Every single argument bearing on the question has been discussed at length in the Legislative Assembly, and in the Press and on the platform. I would, however, like to sound a note of warning. In the course of time it may be that England may decide to link her currency once again to gold on some basis which would not bring down upon her the difficulties created by the ratio which she adopted in 1925, when the fateful, and as it has turned out, disastrous decision was taken to link to gold at 4.86 dollars to the sterling. When such a time comes, is India to revert automatically to the gold standard through the medium of sterling, or are the Legislature and the people of the country to be consulted, and the whole position reviewed in the light of the economic factors then prevailing, before any decision is taken with regard to the currency policy of the country ? If any action is taken without a full and dispassionate enquiry, and without giving the interests most concerned an effective voice in the shaping of the policy, a situation will have been created which will take away whatever support the Government enjoy, and leave them without a friend in the country.

I must now turn for a moment to events of more immediate interest to the industry. The abnormal world situation, the unsettled political and economic conditions at home, the uncertainty with regard to the future of cotton prices, and the distress amongst the agricultural population, which is the largest consumer of Indian cloth, all these affected both the offtake and the price of our manufactures ; and so far as Bombay is concerned, large stocks of cloth accumulated in the godowns of local mills. Owing to a variety of reasons, imports of foreign cloth dwindled still further, and competition with Indian mills was less marked than in previous years. Japan, however, continued to dump large quantities of artificial silk piecegoods, facilitated by the ban imposed on Indian mills with regard to the use of artificial silk yarn ; and the cheapness and attractiveness of this class of goods affected both the demand and the price of the better type of cotton cloth produced by Indian mills. Our Association sent in a convincing and timely representation to the Government of India with regard to the imports of this class of goods, and it must be said to the credit of the Government of India that prompt action was taken thereon, and a duty of 40 per cent., amounting with the surcharge to 50 per cent., was imposed during the year against the imports of art silk piecegoods. This, and the surcharge on revenue duties applied to imported cloth, were perhaps the only satisfactory features of the Supplementary Finance Bill which the Government of India brought forward at a special session of the Legislature in November last.

The enormous burdens imposed on the people of the country by the taxation proposals embodied in the Supplementary Budget, coupled with the heavy additional burdens imposed only a few months before, aroused a storm of protests throughout the country. The proposals of the Finance Member were regarded as the very last straw on the unfortunate camel's

back. I recognize that the role of the critic of a budget is a very easy and pleasant one, more particularly of the Indian Budget. But the critics of the Government of India stand on unassailable ground. For long they have condemned many of the features of the financial policy of the Government, and the events of the last few years have justified the position they have taken up. Apart from the disastrous consequences which have overtaken India through the financial and currency operations of the Government of India, the way in which the life-blood of the people has been drained all these years by military expenditure is sufficient to condemn the Government out of hand. The scale on which the armed forces of this country have been maintained is out of all proportion to the capacity of the country to pay for them, and has been unceasingly attacked by every section of political thought in India. And yet those who control our destinies have made but feeble attempts to deal with the problem, and to approximate the burden to the capacity of the people. To-day, under the stress of a national emergency, it has been found possible to reduce military expenditure to 46 crores of rupees. The heavens have not fallen ; the security of the country continues unimpaired. If four or five years ago, the reductions that have now been found possible had been made, the country would have saved 20 to 25 crores of rupees, and escaped in a great measure the enormous burdens which have been imposed during the past year. It was a realization of its utter helplessness in this and other matters that compelled the Legislative Assembly to throw out the whole Budget at the third reading.

The outlook for the future cannot be clearly envisaged in view of the uncertainty of many of the factors which go to make up the conditions necessary for a world recovery. There are indications, however, which might be held to justify a feeling of cautious optimism. The improvement in commodity prices which has taken place since September last must restore to some extent the crippled purchasing power of the people. The continued reduction in the imports of foreign cloth, which might be expected as a result of the *Swadeshi* movement, and the additional duties which have been imposed out of revenue considerations, must afford a breathing space to the industry. The shelves of merchants and petty dealers must also be bare of cloth, and must lead to increased orders, if no unfavourable conditions set in. These, apart from the efforts being made for international co-operation in matters vitally affecting the future of the world, are all factors which inspire us with a hope that the worst is over, and that the recovery for which every one has been hungrily looking has at last set in.

So far as Bombay is concerned, there is one circumstance, however, which must cause considerable anxiety to all who have a stake and a pride in the City. During the last few weeks, as during the political disturbances of 1930, the principal markets of Bombay have remained largely closed, leading to a disorganization of trade and industry, the consequences of which cannot be lightly contemplated. I have no desire to touch on the political background for this manifestation of the determination of a section of the commercial community to interfere with the normal flow of business. All I am concerned with is the resultant injury to the trade and commerce of the City, which the energy and enterprise of generations of Bombay's sons have built up. It would be foolish to expect that resentment against particular policies and actions can always be rationally expressed, or with meticulous regard to the strictly materialistic point of view. But when the feelings of a certain section of the community impel them to disorganize and dry up for days and weeks on end the channels of trade and industry, it is time for the leaders of the business community to take stock of the situation, and to devise immediate ways and means of preventing the disruption of the commercial structure of the City. Bombay's sterling contributions in the past to the political and economic life of the country have been rendered largely possible by the material resources which she has always commanded, and which have made all India turn to her in the hour of every need, and for the promotion of every deserving object. A Bombay from which slowly, reluctantly but inevitably trade is drifting away, and commercial and industrial prosperity departing, can scarcely make an effective contribution to the national cause.

Before moving the adoption of the Report, I would like to express my cordial thanks to Mr. Baddeley, Deputy Chairman of the Association, for the sterling work he has done during the year. He has freely placed his services at the disposal of the Association, and has done very valuable work in promoting its interests. I must also express my appreciation of the continued good work done by our capable and indefatigable Secretary, and the willing and efficient staff he controls.

As you know, the work of the Association has grown considerably in recent years, and the fat volume which summarises our activities during the year bears witness to the variety and complexity of the problems that confront us. I would like to acknowledge here the cordial co-operation which the Committee and the members have invariably extended to me, and the ready way in which they have placed their time and energies at the disposal of the Association, which has made possible the work that has been accomplished.

Gentlemen, I beg to move " That the Report of the Committee of the Association for the year 1931 be and is hereby approved and adopted."

In seconding the motion for the adoption of the Report, MR. T. V. BADDELEY said :—

Our Chairman has spoken in his usual able and interesting manner on the wider aspects of the economic and industrial situation. He has, however, said little or nothing about the work which has been accomplished by the Association itself during a rather trying year. It has been left for me to render an account of the activities of the Committee, your appointed trustees for the year.

I will not review in detail what the Association has done in the way of making representations to the Government of India, the Government of Bombay, the Municipality and other public bodies—we are all aware of the work the Association has accomplished in this respect for a great many years on behalf of the industry. Nor need I enlarge upon the statistics and statistical surveys published regularly by the Association, which are read throughout India and quoted in every authoritative publication dealing with the textile industry in India.

At the last Annual Meeting, I referred to the expensive experiment in visual education which was being fathered by the Association. This experiment met with poor response from the operatives and was eventually dropped. The Association, however, continued its efforts to do more to promote the welfare of our labour. Borrowing an idea from Messrs. Sassoon, who run an excellent publication for their own workers, we have introduced a workers' monthly Marathi magazine. It is non-controversial in character and has already attained a circulation of 15,000 copies. The Chief Inspector of Factories, the Lady Inspector of Factories, and Miss Hawkins are regular contributors, and we should welcome contributions to and assistance with this magazine from more members and their staff.

We have introduced uniform Standing Orders for all mills in the City ; among many other things, these orders regularise and limit punishment in the way of fines and dismissals, and they limit the extent to which men can be played off. The mills generally have introduced a properly controlled system of leave passes and records. These reforms were advocated by the Fawcett Committee but their introduction was delayed by the 1929 strike and by the lack of co-operation from any effective labour union.

A system of first-aid training has been instituted and four classes of forty each are already being conducted by the staff of the St. John Ambulance Association. The whole of the expense is borne by this Association.

A Sub-Committee of Mill Doctors has been appointed and regular meetings are being held to discuss all possible steps to ameliorate the lot of the sick worker.

The technical education of the workers is being encouraged by a monetary grant to the Social Service League Technical School and by a system of scholarships, the cost of which is borne by the mills from which the students are drawn. Despite financial difficulty the number of mill crèches has been steadily added to.

A deal of constructive work has been done by the Association during the past twelve months. There have been about 30 meetings of the General Committee and over 50 Sub-Committee meetings, all of which has of course entailed even more work than usual on the Secretary and staff.

Our cloth labels which were introduced late in 1930 are selling in enormous quantities and these together with the more recent yarn labels are now a recognised warranty of Indian manufacture.

The demand for copies of our Directory of the manufactures of member mills was so great that the Directory had to be enlarged and a second edition printed within the year.

Another innovation was the publication of detailed price lists of the leading lines we manufacture ; merchants and associations in the consuming centres have expressed appreciation of the value of these. The Association's service also now includes cloth market reports by reliable trade correspondents in Madras, Delhi and Bombay.

Much valuable work was also done by the Association to encourage a vigorous and progressive sales policy by its members, and many new agencies and sub-agencies, showrooms, etc., were opened up in various centres by individual mills, with the result that the industry is now maintaining a much closer contact with its up-country customers and their needs than in the past. The progress achieved in Calcutta has been particularly noteworthy, great developments having taken place in the quality and varieties of the cloths manufactured for that market.

Substantial progress was made by the Association during 1931 towards the solution of the age-old problem of trade numbers. The preliminary work of registering and allocating rights in respect of about 20,000 numbers already used by mills has been almost completed and the procedure which it is proposed to follow in regard to registration of new numbers has been circulated to all members for consideration. The solution of this extremely complicated problem reflects great credit on the Association, and will do much to prevent the piracy of numbers which has hitherto been common.

Other achievements of note on the constructive side have been the introduction of a new standard contract form for transactions in piecegoods, and a revision of the piecegoods arbitration rules which will ensure more expeditious judgments of disputes.

In the early part of the year a Sub-Committee examined current prices of various mill stores. The examination did not lead to very much, but it did reveal certain inconsistencies and the fact that members were suffering in some respects from price fixing combinations in certain articles of common use.

It is as yet too early to say what action it will be possible to take on the recommendations of the Royal Commission on Labour whose report was published during the year. These recommendations, as you all know, cover a very extensive field, and in most cases necessitate consultation with other interests before decisions can be reached or effective action taken. As regards those recommendations of the Commission on which it is possible to take action without the concurrence of other interests experiments are being made to ascertain the possibilities of adopting them in the form recommended by the Commission or in such modified form as will suit the particular needs of the cotton textile industry. I must, however, point out that with the industry in such a parlous financial plight, progress towards the adoption of many of the recommendations must be slow.

Last but not least, I would mention that for the first time in the history of this Association the Chairman's efforts to bring mills round a common table to investigate and discuss the comparative manufacturing costs of certain standard cloths, the relation of these costs to selling prices, and the effect of inter-mill competition have borne some fruit, and the Committee is now engaged on an examination of mills' selling commissions and terms in an effort to at least standardise these.

After this résumé of our activities during the past year, gentlemen, I beg to second the proposal " That the report of the Committee of the Association for the year 1931 be and is hereby approved and adopted."

The resolution was put to the vote and carried unanimously.

On the motion of MR. MADHAVJI D. THACKERSEY, seconded by MR. H. F. MILNE, it was resolved :—

"That Messrs. A. F. Ferguson & Co. be and are hereby appointed as Auditors of the Association's accounts for the current year on the usual remuneration hitherto paid to the Association's Auditors."

MR. AHMED F. CURRIMBHOY proposing, and MR. H. H. SAWYER seconding, it was resolved :—

"That the following donations be sanctioned and paid out of the Association's Funds for the current year :—

	Rs.
The Victoria Jubilee Technical Institute	1,500
The Police Comforts Fund	1,000
The Sir J. J. Hospital Nursing Association Fund	750
The Textile Technical School	500
The Sydenham College of Commerce and Economics	500
The Bombay Textile and Engineering Association	400
The Goculdas Tejpal Nursing Association Fund	200
The Maharashtra High School	150
The King Edward Memorial Hospital Poor Box Fund	200"

On the motion of MR. JEHANGIR B. PETIT, a vote of thanks was accorded to the Chairman for his very able conduct of the Association's affairs during the year.

Millowners' Association, Bombay.

Section II.

FOREWORD, PRELIMINARY REPORT AND ACCOUNTS OF THE ASSOCIATION.

REPORT

OF THE COMMITTEE OF THE

MILLOWNERS' ASSOCIATION, BOMBAY

For the Period 1st January to 31st December 1931.

FOREWORD.

AFTER the boom period that followed the Great War, it gradually dawned on the commercial and industrial world that sooner or later it would be faced with an acute economic depression. The trade depression, which made its appearance in two or three countries in the beginning and affected only particular industries or trades, slowly extended to other parts of the world and to trade, commerce and industry generally till it assumed world-wide proportions. With the crash on the New York Exchange in the autumn of 1929, it was realized that even the richest country in the world would not be immune from a slump in prices. There followed a precipitate decline in the price of commodities, which perplexed an already harassed world, and economists in various countries seriously applied themselves to investigating the real causes of the extraordinary phenomenon that there should be such acute depression in the world side by side with an abundance of the produce of the land as well as of manufactured articles. But no correct diagnosis seems to have been made nor a remedy found. On the contrary, during the year 1931 which is under review, a very serious turn was given to this world depression by the growing instability of currencies and deficits in national budgets. Indeed, the year 1931 will go down in history as one of the gloomiest from the economic point of view. The year witnessed what might be regarded as an almost complete breakdown of the monetary system of the world with the consequent disorganization of international trade. The factor that most contributed to bring about such disastrous conditions was the uprooting of Credit amongst nations. In order to encourage home industries and trade, which were in some cases almost destroyed during the War, many nations set up tariff walls. This in turn adversely affected the international balance of trade and measures, such as inflation or deflation of currencies or extensive borrowings, specially short-term loans, were adopted with a view to restore economic equilibrium. Such measures generated a general want of confidence, and destroyed the fabric of credits. Another important factor was the failure of the Gold Standard, which in 1931 may be said to have more or less broken down. As a result of the War, Europe owed huge debts to America which could have been discharged to a great extent by the export of commodities by debtor countries. The tariff wall in America, however, compelled nations to make payments in gold. France more or less followed the same policy. These two countries succeeded during the year in amassing between them about 70 per cent. of the world's monetary gold. During the latter part of the year, England declared herself

off the Gold Standard, and several other countries followed suit. When this announcement was made on the 21st September, it revived hopes of an improvement in trading and industrial conditions in India also, and the rapid depreciation of sterling, to which the rupee was linked, had the result of raising the price of most of the primary products. It would be too premature, however, to build any hopes of a permanent revival on factors so uncertain as currency movements.

During such a disastrous year, it would be futile to expect that the Textile Industry in India would be in a happy condition. The most that could be said is that while the working results show a loss during the year under review, the industry in India has escaped the disasters which have overtaken industries throughout the world.

Like other commodities, Indian cotton also touched the lowest level during the year. The year 1931 opened with Broach April/May 1931 at Rs. 175, Liverpool October 5.57, and New York October 10.79. There was a steady rise thereafter and in the month of March the prices of Broach rose to Rs. 217, Liverpool touched 6.32, and New York nearly 12 cents. From this level prices again gave way, and finally the Broach contract closed on 23rd May at Rs. 174 with October Liverpool at 5.10 and New York 9.55, Broach July/August Rs. 179, Broach New April/May 1932 Rs. 191, December/January Oomra Rs. 164 and December/January Bengal Rs. 145.

From this time prices eased off and July/August Broach touched Rs. 159 in the beginning of June, but after the pronouncement of President Hoover suggesting a year's Moratorium for German War Debts, the markets became buoyant, and prices rose rapidly, and by the end of the month Broach was quoted at Rs. 190. This buoyancy was, however, quickly lost, and a sagging tendency set in, which was accentuated by the first Crop Estimate for the U. S. A. which was even larger than the most bearish expectations. Against a general trade expectation of 13½ millions and the most bearish estimate of about 14¼ million bales, the Government estimated the crop at over 15½ million bales, and prices broke heavily, New York showing a maximum decline of 142 points under the previous day's close, and Broach touched a new low level, namely Rs. 134-5 for July/August delivery, Broach April/May 1932 Rs. 147, Oomra December/January 1932 Rs. 128, Bengals December/January 1932 Rs. 114, New York October 6.59 and Liverpool October 3.56. Thereafter a slight improvement of Rs. 10 took place but these prices could not be maintained and new crop Broach April/May 1932, which was at a premium of Rs. 15 over old crop went as low as Rs. 140 on the 19th of September. On 20th of September England went off the Gold Standard. This step upset all statistical calculations and before one could realize its effects, Broach April/May prices jumped to Rs. 167 in the space of three days. The Liverpool market also improved to a great extent, prices nearly touching 5*d.*, but the improvement did not last long, and subsequently, there was a drop of 1*d.* in a short time. The American markets were also adversely affected, and prices went below 6 cents. Untimely rains throughout the growing season in India, and particularly, the last untimely rains in November, diminished the quantity and deteriorated the class of Indian cotton, and prices soon went out of parity with all other cottons, and the Indian market showed

considerable strength even when other markets were weak. On 24th September Liverpool May closed at 5.02*d.*, New York May at 6.92 cents and Broach May at Rs. 167. The Liverpool price represented the highest peak reached during the year after 21st September and the New York price very nearly the highest, the highest being 7.37 cents, but Indian cotton continued strong, and at the end of the year prices were as under :—

		Rs.			Rs.
Broach April/May 1932	..	202			
Oomra Dec./January 1932	..	207	March 1932	..	197
Bengal Dec./January	..	187	March 1932	..	181

Liverpool May closing at 5*d.* and New York May at 6.56 cents.

During the months of November and December there were untimely rains all over the districts, which caused extensive damage to the crop, but this was not realized until the beginning of December when the arrivals at up-country markets were only 10 per cent. of normal. Arrivals were specially low in Oomra tracts, and the Broach contract received added support on this account. The shortage of arrivals of Oomras and Bengals also caused shorts to cover their foreign sales of these cottons at a great sacrifice and Oomra December/January at one time stood at a premium of Rs. 15 over Broach contract, and Bengals took the position of Oomras in relation to Broach prices. Big premiums were also paid for ready Oomras. Thus the prices of cotton for lower count yarns were dearer than those for somewhat higher counts.

The Indian cotton crop looks like being the shortest within the last twenty-five years compared to the acreage planted. The season of 1911-12 saw the smallest harvested crop of a little under 4 million bales on an acreage slightly exceeding 22 million acres. This year's acreage has been placed by Government at 22,358,000 acres and the crop is estimated at 4,096,000 bales, but this estimate of production has naturally not taken into account the damage caused to the crop through the December rains, and some competent authorities estimate that the final crop will turn out to be about 3,200,000 bales only.

The Indian Mill Industry has been handicapped by the smallness of the 1931-32 crop, and this handicap has been further increased through the imposition of a duty of Rs. 24½ per candy on imported cotton. This extra duty on the raw product of the industry acts as a direct bounty to foreign manufacturers. It must, however, be noted that were it not for this duty, Egyptian and American cottons would be selling considerably cheaper than Indian cottons of the same staple and class, and to this extent the duty may be said to have benefited growers of staple cotton in this country.

The Cloth Market during the year was influenced in varying degrees by the political situation in India, cotton fluctuations and the world financial crisis created by budget deficits and countries going off the Gold Standard. While the impetus given by the *Swadeshi* movement tended to help the local industry, the peculiar cotton position deterred merchants from making free purchases. Expectation of an increase in import duties and the fear that

an excise duty would be levied on Indian cloths to cover India's Budget deficit induced merchants, towards the end of February, to take advance deliveries of their purchases as also to make further large purchases in anticipation of a rise in prices. The total stock of cloth, which at the beginning of the year was 145,000 bales, was reduced to 123,000 bales by the end of March. After the publication of the budget, however, which did not impose a duty on Indian cloths, deliveries fell off and stocks began to accumulate.

Standard shirting which was quoted at 11 annas a pound in the beginning of the year and which had fallen to 10¾ annas in the beginning of February had risen to 11¼ annas by the end of February. With the steady accumulation of stocks, prices eased off a quarter of an anna, but remained steady at around 11 annas in spite of a continuous fall in cotton prices. Towards the end of May, in view of the steadiness in cloth prices and in the belief that cotton prices had reached bottom, considerable contracts were entered into by merchants. But with the break in cotton that set in from the beginning of July, cloth prices also began to give way and deliveries from mills' godowns continued to be very unsatisfactory till the middle of September, by which time the price of shirting cloth had fallen to about 9¾ annas a pound. Stocks continued to accumulate and at the end of August totalled 192,000 bales. When England went off the Gold Standard in September, hopes had arisen that Indian trade generally and the piecegoods trade particularly would benefit, but as already stated, these hopes were short-lived. With rumours of the " Emergency " budget which might possibly impose an excise duty on Indian cloth, clearances again became very brisk. Prices, however, did not rise, and "*Divali* sales " were made at a very low level. The off-take of cloth during the last three months of the year was, however, very satisfactory, though prices were not remunerative, mainly owing to the want of purchasing power in the country. The year closed with the Bombay mills holding a stock of 132,000 bales of cloth.

The position in the Yarn Market also was not satisfactory. 10s and 20s yarns, which were quoted at Re. 0-5-9 and Re. 0-7-3 per lb. respectively in the beginning of the year, had risen in price with the rise in cotton to Re. 0-6-3 and Re. 0-8-3 by the middle of March, but with the fall in cotton prices, yarn prices fell away and reached 5 annas and 7 annas a pound at the end of August. Prices remained steady at these figures during September, but they improved again after 20th September, and at the end of the year stood at 6 annas and 8 annas respectively. Stocks declined from 24,000 bales at the beginning of the year to 13,000 at the end.

The embargo on the export of gold by Japan in the middle of December did not have any effect on the cloth and yarn markets during the last few days of December, but there was a certain amount of nervousness in all the markets as it was feared that this measure would have detrimental effects on the Indian Textile Industry. It was realized that large purchases of Indian cotton had been made by Japanese mills when exchange was around Rs. 185, so that Japan had the advantage of cheap cotton owing to the exchange being against India when cotton was bought, and of being able to sell cloth cheap owing to the fall in the exchange value of the yen which was likely to ensue after Japan went off the Gold Standard.

From the above review of the Cotton, Cloth and Yarn Markets, it will be seen that the Textile Industry, in spite of the protection afforded to it by the revenue duties and in spite of retrenchment and economies effected in individual concerns, did not prosper and another year of loss to the industry as a whole was recorded. Such losses hamper the progress of reforms which could otherwise be carried out. Dark as this picture may be, however, the Textile Industry in India has an inherent strength which ultimately will overcome obstacles which now seem insurmountable. The great need of the hour is the restoration of confidence among the nations of the world and the quick settlement of the pending international questions. A solution of the present world-wide economic difficulties, which have sprung mainly from the payment of Reparations and War Debts, and which have been accentuated by America suddenly finding herself the world's banker—a position so long held by England—can only be found when all nations realize that the old days are definitely gone and the needs and requirements of the present times are not the same as those of the past. The trade and commerce of the world cannot be improved by hoarding gold or currency, or by raising tariff walls unduly high, or by insistence on payment of debts the whole of which can never be realized ; improvement can only be effected by unhampered international movement of goods, capital and services, or, in other words, through the closest co-operation amongst the nations of the world.

ELECTION OF CHAIRMAN OF THE ASSOCIATION FOR 1932.

The annual ballot for the office of the Chairman of the Association was held on the 4th January 1932, and resulted in the election of **Mr. H. P. Mody.**

ELECTION OF DEPUTY CHAIRMAN OF THE ASSOCIATION FOR 1932.

The annual ballot for the above election took place on 11th January 1932, and resulted in the election of **Mr. Ahmed F. Currimbhoy.**

ELECTION OF THE COMMITTEE FOR 1932.

The ballot for the election of the remaining 18 members of the Committee was held on 18th January 1932, and the following members were duly elected :—

Sir Ness Wadia, K.B.E., C.I.E. ; the Hon'ble Sir Dinshaw E. Wacha, Kt. ; Sir Munmohandas Ramji, Kt. ; Sir Cusrow N. Wadia, Kt., C.I.E. ; Mr. T. V. Baddeley ; Mr. F. E. Dinshaw ; Mr. A. Geddis ; Mr. H. H. Lakin ; Mr. Lalji Naranji ; Mr. H. F. Milne ; Mr. Jehangir B. Petit ; Mr. Ratansi D. Morarji ; Mr. Albert Raymond ; Mr. N. B. Saklatvala, C.I.E. ; Mr. S. D. Saklatvala ; Mr. H. H. Sawyer ; Mr. F. Stones, O.B.E.; and Mr. Madhavji D. Thackersey.

INDIAN CENTRAL COTTON COMMITTEE.

Technological Research Sub-Committee.

Early in January, **Sir Munmohandas Ramji and Mr. F. Stones** were nominated by the Committee, in response to a request received from the Secretary of the Indian Central Cotton Committee, for co-option on the Technological Research Sub-Committee of the Indian Central Cotton Committee for the year 1931.

BOARD OF TRUSTEES OF THE PORT OF BOMBAY.

Association's Representative.

Mr. A. Geddis, whose term of office as the Association's representative on the Board of Trustees of the Port of Bombay expired in March, was again returned by the Association on the reconstituted Board for a further period of two years.

Mr. Geddis, however, proceeded on leave towards the end of May, and the Committee appointed **Mr. H. P. Mody** to serve on the Board during his absence from India.

BOMBAY IMPROVEMENT TRUST.

ASSOCIATION'S REPRESENTATIVE.

Early in April, **Mr. A. P. Sabavala,** the Association's representative on the Bombay Improvements Committee, resigned his seat, and the Committee appointed **Mr. Ahmed F. Currimbhoy** in his stead.

BOMBAY SMOKE NUISANCES COMMISSION.

ASSOCIATION'S REPRESENTATIVE.

Towards the end of March, **Mr. H. H. Lakin,** who was proceeding to England on leave, resigned his seat on the Bombay Smoke Nuisances Commission, and the Committee were asked to nominate another member in his stead. **Mr. J. D. Pember** of Messrs. E. D. Sassoon & Co., Ltd., was accordingly nominated.

The Smoke Nuisances Commission was reconstituted on 1st January 1932, and **Mr. W. A. Sutherland** and **Mr. J. D. Pember** represent the Association on the new Commission.

EMPIRE COTTON GROWING CORPORATION.

The term of office of **Mr. W. H. Brady,** the joint representative of the Bombay and Ahmedabad Millowners' Associations on the Advisory Council of the Empire Cotton Growing Corporation, expired early in February, and in response to a request received from the Corporation for a fresh nomination, the Committee appointed, at the suggestion of the Ahmedabad Millowners' Association, **Mr. R. J. Udani** of the firm of Messrs. Bakhubhai Ambalal Ltd., London, as the joint representative of the two Associations on the Advisory Council for a period of three years.

G. I. P. RAILWAY ADVISORY COMMITTEE.

ASSOCIATION'S REPRESENTATIVE.

Towards the end of May, **Mr. A. Geddis,** the Association's representative on the Advisory Committee, proceeded to England on leave, and the Committee appointed **Mr. F Stones, O. B. E.,** to the temporary vacancy.

THE SYDENHAM COLLEGE OF COMMERCE AND ECONOMICS.

ASSOCIATION'S REPRESENTATIVE.

In the middle of March **Mr. T. V. Baddeley** was appointed as the Association's representative on the Advisory Board of the Sydenham College of Commerce and Economics, *vice* **Mr. H. H. Lakin** resigned.

PANEL OF UMPIRES AND ARBITRATORS.

In accordance with the provisions of the Association's Rules for Arbitration on Piecegoods, the undermentioned gentlemen were appointed by the Committee as arbitrators and umpires for the triennium ending August 1934 :—

ARBITRATORS.

The Millowners' Panel.

1. Mr. F. Stones, O.B.E.,
2. Mr. S. D. Saklatvala,
3. Mr. Ahmed F. Currimbhoy,
4. Mr. Dharamsi Mulraj Khatau,
5. Mr. Hargovindas Jamnadas Ramji,
6. Mr. Bomanji Adarji,
7. Mr. Lalji Naranji,
8. Sir Munmohandas Ramji, Kt.,
9. Mr. J. G. Anderson,
10. Mr. H. H. Sawyer,
11. Mr. A. D. Walwyn,
12. Mr. H. F. Milne,
13. Mr. J. Herbertson,
14. Mr. T. V. Baddeley,
- *15. Mr. J. F. Macdonell.

The Piecegoods Merchants' Panel.

1. Mr. Devidas M. Thackersey,
2. Mr. Vithaldas D. Govindji,
3. Mr. Premji Goculdas,
4. Mr. Harjivan Valji,
5. Mr. Vaman Shridar Apte,
6. Mr. Devjibhai Damodar,
7. Mr. Premji Virji,
8. Mr. Gordhandas Vandravandas,
9. Mr. Makanji Bhaidas,
10. Mr. Ranchoddas Dhanji,
11. Mr. Bhimji Jethabhai,
12. Mr. Purshotamdas Jamnadas,
13. Mr. Kalyanjee Lalji,
14. Mr. D. D. Patell,
15. Mr. C. Subjally.

UMPIRES.

1. Mr. F. Stones, O.B.E.,
2. Mr. S. D. Saklatvala,
3. Mr. Devidas Madhowji Thackersey,
4. Sir Munmohandas Ramji, Kt.,
5. Mr. Lalji Naranji,
6. Mr. T. V. Baddeley.

* Since resigned.

AUDITORS.

At the Annual General Meeting of the Association held on 19th March 1931, Messrs. **A. F. Ferguson & Co.** were appointed as the Association's auditors for the current year on the usual remuneration.

MEMBERSHIP OF THE ASSOCIATION.

The total membership of the Association on 31st December 1931 was 88.

The Sewree Cotton Mills, Ltd., ceased to be members of the Association, while the Raymond Woollen Mills, Ltd., the Loyal Mills. Ltd., and the Minerva Mills, Ltd., were elected members of the Association during the year under review.

CONTINUOUS REPRESENTATION IN THE LEGISLATIVE ASSEMBLY.

(*See pages 4 and 73 of Report for* 1930.)

During the year under review, the case for continuous representation of the Association in the Legislative Assembly was again urged before the Government of India. It was pointed out that the existing system of alternate representation of the Bombay and Ahmedabad Millowners' Associations did not provide an authoritative representation of the views of the industry on the many important questions affecting its interests for the reason that the views of this Association on certain large questions of policy were not always identical with those of the Ahmedabad Millowners' Association. It was urged that industrial legislation was occupying an increasingly important place in the activities of the Central Legislature, and the presence of a representative of this Association in the Assembly was, therefore, a matter of necessity, particularly as labour interests were likely to be given greater numerical representation.

It is understood that the matter is receiving the attention of the Government of India. (*Appendix* **1.**)

STANDING ORDERS FOR MILL OPERATIVES.

The Committee of the Association have for many years recognised the desirability of all mills in the City and Island of Bombay having uniform rules regarding conditions of employment. This subject, it will be remembered, was brought to a head during the early days of the general strike of 1928, when the Joint Strike Committee included as one of their demands " that all rules that are posted in the mills or departments should be standardized by the Millowners' Association, so that they shall be uniform in all the mills,

and that none of these rules or regulations should be such as to deprive the workers of their rights conferred on them by the existing law." On 16th May 1928, in a statement issued to the Press, the Association stated that a new set of rules was being framed and would be put up at all mills in due course.

For the purpose of framing these standard rules, a special Sub-Committee examined the standing orders then obtaining in individual mills, and ultimately framed a uniform set of rules, which were considered in detail by the Fawcett Enquiry Committee. This Enquiry Committee made certain minor alterations in the draft rules as framed by the Sub-Committee of the Association, but considered that they were on the whole " fair and reasonable." Subsequent to the publication of the Fawcett Committee's Report, the Committee of the Association indicated their willingness to adopt the standing orders as framed by the Fawcett Committee, but no immediate action was possible, as at that time negotiations were going on with representatives of Labour, and it was anticipated that Labour's co-operation would be available in the matter of the introduction of all the recommendations of the Fawcett Committee. These anticipations, however, did not fructify, chiefly owing to Labour's opposition to the introduction of the Standardization Scheme of Wages, but at no time was any serious opposition raised to the introduction of the standing orders. Unfortunately, the general strike of 1929 made the position still more difficult, and no efforts were made to introduce the standing orders in the mills. However, towards the end of January, the Committee recommended that all mills should introduce the standing orders as amended by the Fawcett Enquiry Committee as and from 1st March 1931.

Copies of the standing orders in Marathi and English were forwarded to all member mills in Bombay, special attention being drawn in each case to those rules which necessitated a change from the present practice. For example, Rule 6 of the revised standing orders stated that each operative, without exception, would be provided with a departmental ticket showing his number, etc. In view of the fact that the practice of issuing tickets was not universal in the weaving department, and that certain mills were not in favour of introducing the ticket system for weavers, the enforcement of this rule, in so far as the weaving department was concerned, was to be left to the discretion of mills.

The attention of the management was also called to the fact that in the case of a temporary breakdown of machinery, workers should not be detained in the mill for more than an hour, as otherwise, the mill company would become liable for the payment of wages for the full period of detention.

Special attention was also invited to the provisions in the revised standing orders, reducing the notice period and the method of calculating wages due for that period.

The Committee also recommended that fines levied from operatives on account of faulty cloth should be credited to the welfare funds or other benefits utilised for the benefit of the operatives.

Rule 24 of the standing orders as drafted by the Fawcett Committee read as :—

"A copy of these orders or the orders as altered under Rule 25 in the vernacular will be handed to each operative when engaged, and he shall accept work at the mills on the understanding that he has read the said rules and agrees to abide by them."

The adoption of this order in the form in which it was drafted by the Fawcett Committee was impracticable. In the first place, it would be an expensive proposition to provide each operative with a copy of the standing orders, and it was doubtful, in view of the fact that a great majority of the operatives are not able to read, whether the standing order, as framed by the Fawcett Committee, would be accepted in a court of law in the event of a dispute, as evidence of the fact that the worker concerned had understood and accepted the terms and conditions of employment laid down in the standing orders. The Committee of the Association, however, proposed to overcome this difficulty by providing that the standing orders should be read over to every operative employed. It would, however, be necessary for all mills to maintain for each department, a special register recording the signatures or thumb impressions of all operatives after the standing orders had been read over to them, and mills were requested to make suitable provision for the maintenance of such a register.

It is understood that almost all the mills in Bombay have since adopted the standing orders issued by the Association. (*Appendix* **2.**)

REGISTRATION OF TRADE NUMBERS.

(*See pages* 21 *and* 98 *of Report for* 1928.)

In the 1928 Report of the Association, it was stated that the Committee had under consideration a scheme for the registration of numbers used by member mills, and that full details were being obtained from all members as regards numbers used in each case. Immediate progress with the tabulation of the data collected was impossible on account of the general strike of 1929 which commenced shortly afterwards. However, on the termination of the strike, the special Sub-Committee who were dealing with this question continued their deliberations and decided that—

(1) Numbers, the use of which on any one of the classifications adopted by the Sub-Committee had been claimed by only one mill, should be registered as "exclusive" in favour of the mill concerned.

(2) Numbers claimed by more than one mill for use on the same class of cloth should, for the time being, be placed in a suspense register.

A list of "exclusive numbers," as suggested by the Sub-Committee, was prepared and circulated to all members of the Association towards the

end of June, with a view to find out whether any of their numbers had been incorrectly classified. The above list was compiled from returns consisting of numbers introduced prior to April 1930. A further return showing the numbers introduced since the date of the previous return till March this year was also called for, and a supplementary list of " exclusive " numbers was also compiled and circulated to members towards the end of December.

As regards numbers used by more than one mill, these have been placed in a suspense register. It has been agreed that, wherever possible, the rights to these numbers should be determined, and such numbers, the rights to which have been allocated, should be transferred to the " exclusive " register. To accelerate this process, the Sub-Committee have tentatively suggested that where only two or three mills have claimed a number, the Association should assist the parties concerned in arriving at a settlement as regards the exclusive rights over that number.

The procedure suggested by the Sub-Committee will, if accepted, lead to the gradual elimination of what are now known as common numbers, and all the evils arising out of their existence. The Sub-Committee have also framed a set of draft rules for controlling future registrations, and it is suggested that from a date to be fixed by the Committee, no new numbers should be introduced by member mills prior to obtaining a certificate of registration from the Association, in accordance with the new rules. It is also proposed that the whole scheme of registration should be placed before a special general meeting of the Association early in 1932, for adoption.

REGISTRATION OF TRADE MARKS.

An interesting point as to whether it was permissible under the Association's Rules for the Registration of Trade Marks, to register a trade mark in the joint names of one or more mill companies under the same agency, was raised by a member of the Association, early in January. It was contended by the member concerned that if a trade mark was to be used by more than one member, it could not possibly be an exclusive trade mark, but would, *ipso facto*, become a mark common to everybody. The matter was referred to the Association's solicitors, whose opinion was requested on the following specific points :—

(*a*) Whether there was anything in the Association's Trade Mark Rules which would justify the above contention.

(*b*) If the solicitors were of the opinion that the rule sanctioned the registration of trade marks in the joint names of two or more mill companies under the same agency, whether they agreed with the contention raised, viz., that if a trade mark was used by more than one member, then it could not be an exclusive trade mark.

(*c*) If their answer to (*b*) was in the affirmative, what alterations they would suggest in the rules.

The answers furnished by the Association's solicitors to the above queries are reproduced below :—

"Registration of trade mark in the Permanent Register under the Rules of the Association for the Registration of Trade Marks confers no right upon the owner of the mark other than an exclusive right as against all other members to the use of the mark on goods of the class or classes specified in the Register (Rule 45).

The only person who can object to the registration of a trade mark in the Permanent Register is a member on whose application a trade mark, of which the trade mark proposed for registration is alleged to be an imitation, colourable or otherwise, has already been entered in the Permanent Register for use on goods of a similar class (Rule 14).

Consequently, if there is no objection to the registration of a trade mark, as there would not be in the case of an application by more than one mill operating under the same agency, there is nothing in the Trade Mark Rules of the Association to prevent registration of a trade mark in the name of more than one member.

We are, therefore, of opinion that the Rules for the Registration of Trade Marks permit of the registration of a trade mark in the names of two or more mills, in cases in which the applications for registration are not objected to by other members on the ground mentioned in Rule 14.

We are further of opinion that even if a trade mark is registered in the joint names of nine different members, the mark will not become a common mark as between the members *inter se*, by reason of Rule 45 which confers upon the nine members in whose names the mark has been registered in the Permanent Register an exclusive right as against all other members to the use of the trade mark, and thereby prohibits other members from using the mark, even though it may be a common mark, against the interests of the registered proprietors.

Registration of trade marks under the Rules of the Association does not confer any rights upon the members of the Association against parties who are not members of the Association.

The use by nine mills of the same mark would, in our opinion, render that mark a common mark, so as to entitle anyone who was not a member of the Association to use the mark, members of the Association being precluded from using the mark by Rule 45.

We do not see that anything is to be gained by altering the Rules of the Association so as to prevent registration of a mark in the name of more than one member. Such an alteration will not benefit the members of the Association unless the whole basis of the rules as evidenced by Rule 45 is changed.

If two or more members operating under the same agency elect to register the same mark, the only interests likely to suffer by such registration are the interests of the proprietors of that mark by reason of the mark thereby becoming common to the trade as between such proprietors and parties who are not members of the Association. Whether this is a risk which it is worth while to run is a matter solely for the members electing to register the mark in their different names.

The fact that the members electing to register the same mark operate under the same agency has no bearing on the question." (*Appendix* **3.**)

REGISTRABLE TRADE MARKS.

Rule 2 (3) of the Association's Rules for the Registration of Trade Marks provides that " no trade mark shall be accepted for registration, which contains or consists of a representation of the Royal Arms (or arms so closely resembling the Royal Arms as to be calculated to deceive), or of a photograph or photographs of any member of the Royal Family.

During the year under review, the Trade Marks Sub-Committee were asked for a ruling as to whether the above rule would preclude the registration of a ticket bearing the photograph of Queen Victoria. It was held that the rule in question was applicable only to photograph or photographs of *living members* of the Royal Family.

PROVIDENT FUND RULES OF THE ASSOCIATION.

(*See pages* 56 *and* 327 *of Report for* 1930.)

The Indian Income-tax Amendment (Provident Fund Relief) Act, which came into force on 15th March 1930, confers certain privileges on the beneficiaries of a Provident Fund ' recognised ' under the Act. Recognition under the Act is accorded only to funds constituted as an irrevocable trust. The Provident Fund maintained by the Association was, for all practical purposes, an irrevocable trust, but when ' recognition ' was applied for as prescribed in the Rules, the Commissioner of Income-tax pointed out the desirability of making a few verbal alterations in the Association's Provident Fund Rules. These were subsequently made, and recognition was accorded to the Association's Fund with effect from 31st March 1930.

FAREWELL ADDRESS TO HIS EXCELLENCY LORD IRWIN.

Prior to his departure from India on the termination of his office as Viceroy and Governor-General of India, His Excellency Lord Irwin was presented with an address by the Committee of the Association. The Chairman of the Association who was accompanied by the Committee, in reading the address, emphasized the industry's deep indebtedness to His Excellency for the solicitude he had always shown for the welfare of the Indian textile industry, and referred to the courageous action which the Government of India took under His Excellency's inspiration, in revising the conclusions they had reached on the recommendations of the Tariff Board. His Excellency gave a suitable reply. The address and His Excellency's reply are reproduced in the appendix. (*Appendix* **4.**)

DEPARTURE OF SIR VICTOR SASSOON, BART., FROM INDIA.

During the year, Sir Victor Sassoon, Bart., retired from India. He joined the Committee in 1920, became Deputy Chairman in 1921, Chairman in 1923, and all along took a very active interest in the affairs of the Association. He represented the Association in the Legislative Assembly in 1923 and

again from 1926 to the middle of 1929, and rendered very valuable service, particularly at the time of the enactment of the Tariff Amendment (Yarn Protection) Act. He tendered oral evidence before the Royal Commission on Currency on behalf of the Association, and subsequently took a leading part in the popular agitation against the 1s. 6*d*. ratio. He was later appointed a member of the Royal Commission on Labour in India, and resigned his seat in the Assembly to take over his new duties.

The Committee regretted the severance of Sir Victor's connection with the Association and entertained him to dinner prior to his departure from India.

PREVENTION OF INDUSTRIAL ACCIDENTS.

Towards the end of December 1930, the Government of Bombay, at the instance of the Government of India, requested the Association to express an opinion on the recommendations adopted by the Twelfth Session of the International Labour Conference in regard to the prevention of industrial accidents.

The Conference recommended, *inter alia*, statistical studies into the causes of accidents, investigation into physical, physiological and psychological factors governing accidents, scientific research into the best methods of vocational guidance, and the selection and development of national statistics on uniform bases so as to allow of a comparative study by the International Labour Office, of the statistics of different countries. The Conference realized that in any scheme for the prevention of industrial accidents, the co-operation of the factory inspectorate, the workers and the employers was essential, and further suggested various methods of co-operation, for example, periodical conferences between the inspectorate and the representative organizations of employers and workers, the appointment of safety organizations in each factory or works, appointed jointly by the employers and the workers, propaganda by means of lectures, publications, cinematograph films, etc., permanent safety exhibitions, encouragement of the employers to do all they can to instruct workers in accident prevention and of workers' organizations to co-operate in this work, etc.

The Conference also laid down certain principles which were recommended to be incorporated in national laws and regulations, with a view to ensure an adequate standard of safety, and it was further recommended that State members should endeavour to secure that accident insurance institutions might take into account, in assessing premia, the safety measures taken by each firm, and encourage such institutions in the work of accident prevention.

The recommendations were placed before the Council of State and the Legislative Assembly on the 10th March and 7th July 1930, respectively, when the following resolution was unanimously adopted :—

"That this $\frac{\text{Council}}{\text{Assembly}}$ having considered the Recommendation concerning the prevention of industrial accidents and the Recommendation concerning responsibility for the protection of power-driven machinery adopted at the Twelfth Session of the International

Labour Conference, recommends to the Governor-General in Council that he should examine the possibility of giving effect to the Recommendation concerning the prevention of industrial accidents and that the results of this examination should be placed before this $\frac{\text{Council}}{\text{Assembly}}$ within eighteen months from this date."

In a lengthy communication which accompanied the recommendations, the Government of India pointed out that, though the Factory Inspection Department did useful work in finding out what safety devices should be employed to minimise the risk of accidents, the requirements of the recommendation presupposed a higher stage of industrial development than existed at present in India, where the lack of organization amongst the industrial workers, their illiteracy and the absence, except in a few centres, of a permanent industrial population depending entirely on working factories, were factors which presented serious difficulties in undertaking any useful systematic research on the lines indicated. It was also stated that considerable attention had been paid in India by individual employers and certain private organizations within recent years to the welfare of labour, and some of the measures recommended by the Conference had already been introduced in large-scale industrial establishments. There still appeared to be, however, considerable scope for further advance, especially in the encouragement of the co-operation of the workers themselves, and the Government of India desired to know what further steps could be taken to secure this object. In conclusion, the Government of India pointed out that the acceptance by a Member State of a recommendation passed by the International Labour Conference did not commit her to all the terms of the recommendation, but a formal acceptance committed the State concerned to the adoption of the general principles contained in the recommendation in drafting national legislation and in issuing administrative orders.

The Committee of the Association felt that collaboration between employers and workers would be of advantage, but pointed out that owing to the absence of any organization of the workers and their illiteracy, it would be difficult to organize conferences with the workpeople which would yield any results. So far as Government, employers and insurance companies in India were concerned, it was pointed out that the collaboration suggested in the recommendations did exist, and that the present legislation provided for adequate statistical information to be supplied on which conclusions in regard to the causes of accidents could be based. The Committee were of the opinion that the Indian Factories Act adequately dealt with the provision of safety devices in hazardous machinery, and it was pointed out that the supervision exercised by the Factory Department had been responsible for a high standard of safety devices maintained in Bombay. An amendment of the Indian Factories Act, as suggested in the recommendation, was not, however, deemed necessary, as the existing law afforded sufficient powers to the inspectors of the Factory Department to inspect machinery whenever required and to suggest the introduction of safety devices which, in their opinion, would more adequately serve to secure the end in view. Apart from any legal authority, the textile industry in Bombay had been generally willing to follow suggestions made by the Factory Inspection Department, and a large number of protective devices suggested by them were at present in use in Bombay.

The Committee agreed with the suggestion that steps should be taken to awaken and maintain by suitable means, the interest of the workpeople themselves in the prevention of accidents, and generally approved of the various methods suggested by Government with this end in view. But it was, however, thought that with the existing labour conditions, lectures and publications would not have the same beneficial results as they might be expected to have if labour was more enlightened, and consequently better able to understand the instruction provided through these means. It was, therefore, suggested that a more extensive use of " safety-first " posters which were capable of being easily understood and more readily appreciated by the working class, should be adopted.

The recommendation also suggested the administrative provisions to enable workers to collaborate with employers and the officials in suggesting measures which would lead in any way to reduction of accidents. Employers would not object to such provisions being introduced though it was at present quite open to workers to point out any measures for guarding machinery better, or to see the inspectors whenever they came to inspect machinery. The Committee stated that there was very close co-ordination between the Factory Inspection Department, the Millowners' Association, and the Millowners' Mutual Insurance Association, and valuable work in accident prevention had been done as a result thereof by the Factory Inspection Department. (*Appendix* **5**.)

TRAINING OF MILL OPERATIVES IN " FIRST-AID."

One of the recommendations of the Twelfth Session of the International Labour Conference read as follows :—

" In view of the great value of immediate first-aid treatment in lessening the gravity of the consequences of accidents, it is highly desirable that first-aid by properly trained persons should be given in undertakings generally as well as medical treatment in the larger undertakings. Arrangements should also be made for providing ambulance services for the rapid transport of injured persons to hospitals or to their homes."

An effort in the direction of giving effect to the above recommendation was made by the Committee of the Association early in March, with the assistance of the honorary class secretaries of the local brigade of the St. John Ambulance Association. A good deal of preliminary work had to be done, and grave doubts were entertained as to whether the scheme for the training of mill operatives in " first-aid," which the Committee had in view, would be satisfactorily patronised by the mill staff. However, such fears were set at rest, and a large number of candidates offered themselves for training under the scheme formulated by the Association.

For the sake of convenience, but primarily to overcome language difficulties, all candidates not being able to follow instructions in English, three different centres were opened where instruction in Gujerati, Marathi and English were given. The entire expenses in connection with the training

were met by the Association. The instructors were all honorary workers, and the promptness with which they undertook the work, in addition to their various other official duties, was commendable.

About 150 students attended the classes. (*Appendix* **6**.)

MUNICIPAL ASSESSMENT OF COTTON MILLS.

(*See pages* 5 *and* 75 *of Report for* 1930.)

Towards the end of February, the hearing of the appeals preferred by mills against the decision of the Assessor and Collector of Taxes was commenced. The Morarji Goculdas Mill's case was taken up first, and after hearing Mr. Entwistle, who gave expert evidence as to the practice followed in England and the application of those principles to the Morarji Goculdas Mills, the Court adjourned *sine die*. Attempts were made from time to time to expedite disposal of the Morarji Goculdas Mill's case, but in the first place, the absence on leave of Mr. Coltman, counsel for the Municipality, and later, the preoccupations of both counsel, prevented any progress being made until September, when it was agreed that the case should be taken up on the 24th. The case even then was not proceeded with owing to the Chief Judge finding it inconvenient to attend on that day. It was then arranged to proceed with the case early in December, but in the meantime, informal negotiations took place between counsel and representatives of the respective parties as a result of which it is hoped to settle all the cases outside the Court on the basis of a formula to be mutually agreed upon.

Early in March, it was learnt that the Assessor and Collector of Taxes was endeavouring to collect taxes for the year 1930-31 on the basis of the revised valuations of 1929-30. The Association, however, on the advice of its solicitors came to an arrangement with the Municipality under which it was agreed that mills should immediately pay up assessments on the basis of the old valuation for 1929-30, such payments being made on account and subject to adjustment in the light of the final decision of the Small Causes Court, or any agreement which might be arrived at between the parties by direct negotiations. As regards the taxes due for the year 1931-32, it was agreed that mills should pay up the assessment due in respect of the first half of the year on the basis of the old assessment, during the month of October. At the end of the year, discussions were proceeding in regard to the date on which assessments due for the second half of the year should be paid.

PROPOSED ESTABLISHMENT OF A RATING TRIBUNAL IN BOMBAY.

The controversy which followed between the Association and the Municipality over the question of mill assessments clearly brought home to the Committee that the existing system of assessment collection and disposal of complaints relating to property taxes was defective in many ways.

Section 140 of the Bombay Municipal Act provided that the property taxes should be computed on the " rateable value of buildings and lands on which they were to be levied." Consequently, it was necessary, in the first instance, to ascertain the rateable value of buildings and lands to be assessed. Section 154 of the Act stated that, in order to fix the rateable value of any building or land assessable to a property tax, there should be deducted from the amount of the annual rent for which such land or building might reasonably be expected to let from year to year, a sum equal to 10 per cent. of the said annual rent, and the said deduction should be in lieu of all allowances for repairs or on any other account whatever. The value of any machinery contained or situate in or upon any building or land should not be included in the rateable value of such building or land. The provisions of this section rendered it necessary to ascertain the annual rent for which such land or building might reasonably be expected to let from year to year, and to enable the Commissioner to determine such rateable value, he might, under Section 155 of the Act, require the owner or occupier of any building or land to furnish him with information as to the dimensions of such building or land, or of any portion thereof, and the rent, if any, obtained for such building or land or any portion thereof.

The Committee were not aware whether the Commissioner obtained any independent advice or whether he fixed the annual rent of any land or buildings, which he intended to assess, merely on the information which he called for under Section 155 or obtained after a visit of personal inspection by the staff of the Assessment Department. Having decided in his mind what was the rateable value of any building or land, the Commissioner then entered particulars thereof in the Ward Assessment Book, and gave public notice of his having done so. Any person interested could then complain against the rateable value of his property, and by Section 165, the Commissioner was required to investigate and dispose of the complaint. As a matter of fact, he never did so, but deputed such investigation to the Assessor and Collector of Municipal Taxes, who might possibly have some experience in land values, but had absolutely no knowledge or experience of the law of rating in so far as that law was applicable to hereditaments other than inhabited houses.

If the Assessor and Collector confirmed the assessment—as he did in practically every case in the recent assessment appeals filed by cotton mills —the complainant could appeal to the Chief Judge of the Small Causes Court under Section 217 of the Act, provided he appealed within fifteen days after his complaint had been disposed of by the Assessor and Collector, and provided also that he had previously deposited with the Commissioner the amount of the tax for which his property had been assessed.

Under Section 219, the decision of the Chief Judge of the Small Causes Court upon any appeal against the rateable value was final.

The whole procedure was, in the opinion of the Committee, unfair to the assessee for the following reasons :—

Firstly, the method by which the Commissioner presumably arrived at the rateable values of certain classes of buildings or lands was not based on any recognized practice.

Secondly, the fact that the first appeal against the rateable value was either to the Commissioner himself or to his deputy was obviously objectionable in principle.

Thirdly, having regard to the diversity of hereditaments to be assessed, including railways, docks, factories, mills, race-courses, and other exceptional cases, rating had become a matter of extreme complexity, for the investigation of which the Chief Judge of the Small Causes Court, however eminent a lawyer he might be, had not any special technical knowledge.

In this connection, a passing reference to the provisions of the British Law, which still remained the model on which most of the statutory enactments of India had been based, might be of interest. Under the Rating and Valuation Act of 1925, the rateable values were taken, for the purpose of the rates, from valuation lists, and the Act prescribed the provisions which regulated the preparation of these lists and objections and appeals relating to them. A valuation was made every five years, and it passed through three stages before it became operative, viz.—

(1) It was made by the Rating Authority for the Parish, which authority was usually an expert in the rating of properties for property tax purposes.

(2) It was revised by the Assessment Committee.

(3) Appeals might be brought upon the decision of the Assessment Committee direct to Quarter Sessions.

From Quarter Sessions, there was an appeal on a question of law to a Divisional Court (two Judges) of the King's Bench Division of the High Court of Judicature in London, thence to the Court of Appeal (three Judges) and thence again, if necessary, to the House of Lords. There were also provisions in the English Act under which the Assessment Committee could secure the assistance of an expert valuer or appoint a competent person to assist them for the valuation. It could easily be conceived that, where an hereditament of a special nature, such, for instance, as a factory, dock, railway or other similar case, came up for valuation, the Assessment Committee would naturally secure the assistance of an expert to survey and value the particular hereditament.

The procedure followed in England afforded a striking contrast to what actually took place in Bombay. It was not known, as stated previously, whether the Municipal Commissioner in valuing a mill, dock or railway or other similar hereditament—as to the values of which he could have no possible clue by reference to similar hereditaments in the neighbourhood as in the case of inhabited houses—employed an expert valuer to assist him or to survey and value the hereditaments in question. It would no doubt be conceded that the Municipal Commissioner, in the performance of his duties under the Act, must do the best he could, but the point was that if after doing the best he could, there was a flaw in his valuation, the owner or occupier concerned should be entitled to have the valuation investigated by an authority more specially qualified to decide on the true value of the hereditament.

The Committee carefully considered the question, and came to the conclusion that a special tribunal should be constituted to investigate and deal with such assessment appeals as had been disposed of by the Assessor and Collector of Taxes under Section 165 of the Municipal Act. A representation was accordingly addressed to the Government of Bombay, and it was suggested that, at least one member of the Tribunal should be a person with a special knowledge of rating law and practice, and among the other members, there should be a judicial officer of high standing. Such a Tribunal, it was pointed out, should exercise the powers at present conferred on the Chief Judge of the Small Causes Court, and, in addition, enjoy some of the powers conferred on the Assessment Committee of England, especially in the matter of appointment of experts to assist them. An appeal against the decision of the Tribunal on points of law only should lie to the High Court.

It was not proposed that the special Tribunal should have anything to do with the assessment of residential properties, the present method of assessment of which might be regarded as more or less satisfactory. The special procedure suggested should apply only to hereditaments of the nature of mills, dock properties, railways, etc., where the letting value cannot be determined by the ordinary methods. (*Appendix* **7.**)

ASSESSMENT OF TOKA LANDS.

(*See pages* 13 *and* 118 *of Report for* 1930.)

In the last Report of the Association, reference was made to a representation addressed to the Government of Bombay by the Association on behalf of mills holding toka lands urging a reconsideration of the terms of assessment offered by Government through the Collector of Bombay.

A reply to this representation was received towards the end of February, Government declining to revise their decisions. No further action was possible, and mills concerned were informed accordingly.

The revised rates have been guaranteed for a period of 10 years commencing from 1st November 1930. It is understood that full economic rates will be charged in respect of toka lands used for any remunerative purposes not connected with the mills. The rate of assessment sanctioned by Government will not be applicable to lands held on lease by mills, where under the terms of the lease, the lessors are liable to pay the Government assessment.

CURRENCY SITUATION IN INDIA.

An outstanding event in the year under review, was the suspension of Section 5 of the Indian Coinage Act which imposed on Government an obligation to sell sterling or gold at a fixed price and the subsequent linking

of the rupee to the British pound. Briefly stated, the principal events which preceded these measures were as follows :—

On the 10th September, Mr. Snowden introduced his emergency Budget in the House of Commons, and this was followed on September 21st by a Bill suspending sub-section (2) of Section (1) of the Gold Standard Act, 1925, so as to relieve the Bank of England of its obligation to sell gold at a fixed price. The Bill passed through all stages in both the Houses in a surprisingly short time, and after a Royal Commission had sat, the Royal assent was given. It is at this point that the narrative, so far as it relates to our purpose, commences.

On the 20th September, the Hon'ble Sir George Schuster made the following statement in the Legislative Assembly :—

"In view of the announcement that His Majesty's Government have decided to relieve the Bank of England of the obligation to sell gold, received this morning, it was decided that it would be in the public interest to provide for a temporary suspension, until the situation becomes clearer, of the statutory obligation of the Government of India to sell sterling or gold against rupees. An Ordinance suspending, until further notice, the operation of the appropriate section of the Currency Act, 1927, was accordingly signed by His Excellency this morning."

The Finance Member was immediately confronted with a series of questions as to whether he would be in a position to tell the House if steps would be taken to link the rupee with sterling during the period when it might be temporarily divorced from gold. The Finance Member was unable to supplement what he had already stated, and assured the House that Government had not had time to settle their detailed plans, but in reply to a further question from Mr. H. P. Mody, " whether in view of the enormously important implications of the policy announced " Government would make a detailed statement some time later, Sir George Schuster stated that he would do his best—though he could not make any definite promise—to do so.

While Government were assuring the Assembly that they had not had time to discuss the future policy, the news was flashed out from Great Britain that Sir Samuel Hoare (Secretary of State) had made a very important statement the very same day—apparently without consulting the Government of India—before the Federal Structure Sub-Committee of the Round Table Conference. Regarding the Government of India's future policy, Sir Samuel Hoare stated :—

"Since the fixing of the rupee by statute at 18 pence, sterling has, until to-day, been synonymous with gold, and for all practical purposes, the stability of the Indian exchange has been based on sterling. Indian trade is financed through sterling. The greater part of India's external obligations is in the terms of sterling. To follow gold, and so increase the sterling value of the rupee at this juncture is, I am sure, you will agree, out of question. It has, therefore, been decided to maintain the currency standard on a sterling basis."

It was surprising that in a measure with such far-reaching consequences to Indian trade and commerce, the Secretary of State for India and the British Cabinet should have relied upon their own independent judgment leaving the Government of India out of the picture. This step was viewed with grave

disapproval by the Assembly, and on the 22nd September, Sir Cowasji Jehangir (Jr.) asked for leave to make a motion for the adjournment of the business of the House for the purpose of discussing the pronouncement of the Secretary of State for India with special reference to the exchange ratio. Permission was accorded by the House, and the question was to be discussed after tea; but re-assembling after lunch, the House was confronted with a message from His Excellency the Viceroy disallowing discussion of the motion on the ground that " it cannot be moved without detriment to public interest."

On the 24th September, the Finance Member made a further statement in the Assembly on the financial situation, outlining the steps which Government proposed to adopt to control exchange operations. A few interpellations followed this announcement, and after a short adjournment, Mr. Shanmukham Chetty stated that there was " a strong desire on the part of a considerable number of members.....that opportunity might be given to the House to have a discussion on the statement made by the Finance Member," and further added that if that opportunity was given, it was their intention to table either a resolution or a motion, giving expression to their considered views on the statement. This request was not opposed by Government, and accordingly, on the 26th September, permission was accorded to Mr. Shanmukham Chetty to move the following resolution in the Assembly :—

" Whereas it is apprehended that it would be seriously detrimental to the interests of India to link the rupee to sterling under present conditions ; and

Whereas the action of the Government of India as currency authority in maintaining the exchange value of the rupee at 18*d.* has had disastrous effects on the agricultural and industrial interests of the country and has resulted in the depletion of the gold assets in the currency reserves ; and

Whereas it is further apprehended that the linking of the rupee to sterling and the consequent obligation imposed upon the Governor-General in Council by the Gold and Sterling Sales Regulation Ordinance (Ordinance VII of 1931) will result in further frittering away the gold assets to the grave detriment of the financial and economic life of the country ;

This Assembly is of opinion that the Governor-General in Council should immediately take such steps as are necessary to ensure that the total amount of the gold and sterling assets in the Paper Currency and Gold Standard Reserves are not allowed on any account to fall below the level at which they stand at present ; and

This Assembly is further of opinion that under the present circumstances it would be in the best interests of the country for the Governor-General in Council to take steps to restore the Ordinance No. VI of 1931 and to relieve himself from the obligation imposed upon him by Section 5 of the Currency Act, 1927, or by Ordinance VII of 1931, and that in any case if Government are determined to continue Ordinance No. VII of 1931, such obligation ought not to be undertaken unless and until substantial long-term credits are forthwith granted in favour of the Government of India in London by His Majesty's Government on reasonable terms and conditions.

With reference to the announcement made by the Honourable Finance Member about the introduction of a second Finance Bill, this Assembly is of opinion that proposals for taxation should not be made without giving due notice to Honourable Members and that no proposals for taxation must be made in the present session."

The motion was ably supported by Mr. H. P. Mody, and after a few others had spoken, Sir George Schuster rose on behalf of Government and made a very halting defence of Government's policy, winding up his speech as follows :—

"Our task at the moment is to keep this ship afloat in a period of extreme danger and difficulty; and if we say, 'Trust us in our position of responsibility on the bridge,' it does not mean that we do not sympathise with the condition of the country, it only means that we feel that we have got a more important task up here and that our first task must be to preserve our freedom of action in performing that task. When we say that, I think we are talking reasonably, and we are justified in asking the House to have confidence in us. We have got through a very dangerous cyclone. I am not prepared just now to say what course we are going to steer in the distant future. 'Sufficient unto the day is the evil thereof.' We have decided to take a certain line. Mr. Mody asked me all sorts of questions : 'What is going to be the ultimate result of all this ? Are you going to continue in this way for all time ?' I must tell my Honourable friend that I cannot answer those questions. We are now in a position in the world for which there has been no parallel within the living memory of any of us. No one can tell exactly what is going to happen. We may be content to take each step as it comes, and, if we preserve the ship from foundering from week to week, I think we shall have deserved well of Honourable Members in all parts of this House." (Applause.)

Sir Cowasji Jehangir (Jr.) followed, and after the mover had replied to the debate, the motion was put to vote and carried, by a majority of 64 against 41, almost all the non-officials voting in favour of the motion.

BANK RATE.

In the middle of February, the Committee of the Association invited the attention of the Government of India to the difficulties experienced by the cotton mill industry on account of the high bank rate which then stood at 7 per cent. It was pointed out that a great deal of the working capital of the industry which was formerly supplied by the general public in the form of deposits at moderately low rates of interest had now to be obtained directly or indirectly from the banks at rates at or above the prevailing bank rate. For instance, on the 1st October 1930, according to returns collected by the Association, 64 mills in Bombay with a paid-up capital of Rs. 12.14 crores had obtained loans from banks and their managing agents amounting to not less than Rs. 7.58 crores at or about 5 per cent., which was the bank rate then obtaining. The bank rate in February stood at 7 per cent. which meant that the interest charges of these 64 mills had been increased by many lakhs of rupees per annum despite the fact that call-money was relatively cheap. The Committee were of the opinion that facilities should be given so as to ensure that industries should obtain their loans from banks at figures more nearly approximating to the rate for call-money. In this connection, they suggested that the Government of India might, if possible, make some arrangement, in the interests of both the cotton industry and the cotton grower, with the Imperial Bank under which the rate of interest for financing stocks of raw material should receive exceptional treatment when the bank rate was 5 per cent. or higher.

In reply to the suggestion made in the above paragraph, the Government of India stated that the terms on which advances were made by the

Imperial Bank being entirely a matter for settlement between the bank and its client, the Government of India could not intervene. (*Appendix* **8.**)

SUPPLEMENTARY BUDGET PROPOSALS OF THE GOVERNMENT OF INDIA.

In addressing the members of the Council of State and the Legislative Assembly on the 14th September, His Excellency the Viceroy referred to the financial situation in India and stated :

> "India like practically every other country must regard it as her foremost duty to devise means to weather the unprecedented economic storm, which is now disturbing the whole world. It is essential in the interests of the country's credit that special action in this matter should not be delayed, and you will be informed shortly of my Government's proposals for dealing with the situation."

Accordingly, on the 30th September, the Hon'ble Sir George Schuster announced in the Legislative Assembly Government's proposals for meeting the financial situation. Budgeting for a period of 18 months, it appeared that on present estimates, Government expected a deficit of Rs. 19.55 crores at the end of 1932-33. This they proposed to meet by

(1) A curtailment of the military expenditure ;

(2) Emergency cuts in pay of all Government servants ;

(3) Abolition of Salt Credit System ; and

(4) Increased taxation.

As regards taxation, Government proposed, *inter alia*,—

(1) Levy of an import duty of 6 pies per lb. on raw cotton ;

(2) Levy of an import duty of 10 per cent. on machinery ;

(3) Levy of an import duty of 10 per cent. on dyes ;

(4) Increase in the import duty on brown sugar from Rs. 6-12-0 to Rs. 7-4-0 per cwt. ;

(5) Increase in the import duty on boots and shoes from 20 per cent. *ad valorem* to 20 per cent. *ad valorem* or 4 annas per pair, whichever is higher ;

(6) Increase in the import duty on art silk yarn and thread from 10 per cent. *ad valorem* to 15 per cent. *ad valorem* ;

(7) Increase in the import duty on art silk piecegoods, camphor and electric bulbs from 20 per cent. to 40 per cent. *ad valorem* ;

(8) Levy of a surcharge of 25 per cent. on all customs import duties exceeding 2½ per cent. *ad valorem* including those specified above excepting the new duties on raw cotton, machinery and dyes, and on all excise duties including salt;

(9) Increase in postal rate on all inland letters and post cards by 50 per cent;

(10) Taxation of incomes between Rs. 1,000 and Rs. 1,999 at 2 pies in the rupee in the current financial year and at 4 pies in the rupee in the next financial year;

(11) Levy of a surcharge of 12½ per cent. of existing rates of income-tax and super-tax in current financial year and 25 per cent. of existing rates in the next financial year. (*Appendix* **9**.)

The Income-tax Proposals of Government and the Proposed Import Duty on Cotton.

The income taxation proposals of Government and the proposed duty on raw cotton were examined at great length by the Committee of the Association, and exhaustive memoranda criticising these proposals were submitted by the Committee. A detailed reference to these documents at this stage is unnecessary in view of the fact that the original Budget proposals of Government were ultimately certified *en bloc* by His Excellency the Viceroy. But it would be interesting to follow the discussions in the Assembly on the Bill, and the circumstances which led to its ultimate certification.

On the 4th November, in a session specially convened to discuss Government's financial proposals, Sir George Schuster moved the consideration of his Bill. He made a very eloquent appeal, and wound up his speech as follows:—

"Our taxation proposals must be regarded essentially as a whole. They are mainly based on the idea that there is in the present emergency a need for increasing the yield of taxes. They proceed on the lines of imposing an equal surcharge on all, so that the incidence of taxation as a whole remains unaltered. We believe that in broad outline this is essentially fair. We also believe that there is no particular class which will in this way be asked to bear more than a fair share in a common sacrifice, or which will be subjected to a greater burden than can be borne. This matter can be followed out more fully in discussion of the particular proposals, but our attitude is that all parts of our plan are essentially interdependent. We recognise that in certain particular cases secondary effects may be produced by this general increase in the rates which, if each item could have been considered in isolation, we should have been inclined to avoid. But our view is that our plan must be taken as a whole, and that, regarded as a whole, it will broadly work in the interests of the country and with fairness to all classes of taxpayers. If an attempt is made to alter it in detail, it will open the way to unending argument and destroy the essential and broad purpose of the whole plan."

It was, therefore, clear at the very outset that drastic alterations to the Bill was out of the question. However, after four days of discussion, the Bill was taken into consideration, and the House proceeded to discuss the Bill clause by clause.

Clause 2 of the Bill read as follows :—

" The operation of Section 2 of the Indian Finance Act, 1931, fixing the rate of salt duty for the year beginning the 1st April 1931, of Section 5 of the said Act and the Third Schedule thereto as amended by Section 6 of this Act, fixing inland postage rates for the said year, and of Section 7 of the said Act and the Fourth Schedule thereto as amended by Sections 7, 8 and 9 of this Act, fixing rates of income-tax and super-tax for the said year, is hereby extended to the 31st day of March 1933."

Mr. S. C. Mitra moved an amendment for the deletion of this clause. He explained :—

" The purpose of clause 2 is to extend the operation of the Finance Bill for a year more, that is, till the 31st March 1933. I am opposed to that idea....."

This amendment being defeated on being put to vote, the next amendment standing in the name of Mr. Bhuput Singh (Bihar and Orissa : Landholders) which aimed at the deletion of the import duty on cotton, was then moved. The mover was ably supported by Mr. Shanmukham Chetty and Mr. H. P. Mody, but Government were ultimately able to obtain a clear majority when the amendment was put to vote, and the duty was thus passed.

In spite of two initial reverses, the Opposition inflicted three successive defeats on Government by passing Lala Hari Swarup's motion " to replace machinery and subsequent items on the free list," Mr. Sitaramaraju's motion for the rejection of the increases in postal rates ; and Rai Bahadur Harbilas Sarda's motion against the taxation of incomes between Rs. 1,000 and Rs. 2,000.

Mr. Lalchand Navalrai then moved the rejection of the proposed surcharge on income-tax, but the motion was defeated on being put to vote. There were also other minor amendments, but the Hon'ble Sir George Schuster stated on 19th November, that " in view of the substantial amendments that have been made in the measure as originally introduced " Government would require time " to consider the position " before proceeding with the third reading of the Bill. Accordingly, the House was adjourned till 2-15 the next day, and when it re-assembled, the following message, received from His Excellency the Viceroy, was read out by the President :—

" The circumstances in which the Legislature has been asked to consider proposals for heavy new taxation in the middle of the financial year are, as Honourable Members are aware, of a most exceptional character. They were such that it appeared to me and my Government that it was essential in the interests of the country and particularly for the protection of its financial stability that the revenue and expenditure should be balanced until the end of the next financial year. The proposals which appeared to us to afford the minimum financial provision necessary for this purpose were embodied in the emergency Finance Bill introduced at Simla on 29th September. The provisions of this Bill have now been altered by the Legislative Assembly in a manner which it is estimated would reduce the expected revenue by a total of about Rs. 4 crores over the period of 18 months which is in question. I have given most careful consideration to the position thus created and I am satisfied that I cannot consistently with my responsibilities allow this deficiency to remain uncovered. I therefore feel it to be my duty to recommend to Honourable Members the acceptance of amendments which will restore the position contemplated when the Bill was introduced. I earnestly hope that Honourable Members will support me in this action."

In addition to this message, a Recommended Bill had also been handed over to the President with the following marginal note by His Excellency the Governor-General :—

"In pursuance of the provisions of sub-section (1) of Section 67-B of the Government of India Act, I, Freeman, Earl of Willingdon, do recommend to the Legislative Assembly that it do pass the Bill to supplement the Indian Finance Act, 1931, and to extend the operation of its temporary provisions, in the form hereto annexed."

Sir Hari Singh Gour, on behalf of the Opposition, then dissociated himself and his party from the further progress of the Bill, and said :—

"We have sat here since the 4th of this month deliberating day by day upon the various provisions of this Bill. Our verdict is a considered verdict, and we should be stultifying ourselves if we once more acceded to the request that we should pass the unamended Bill now presented to this House merely because the occupants of the Treasury Benches so desire it. Sir, the least we can do and the least my party will do is entirely to dissociate itself from the further progress of this Bill. The responsibility is a responsibility of the Executive Government. We, the representatives of the people, are unable to lend our assistance to place upon the Statute-book the Bill which is recommended for enactment."

All the items rejected by the House were again put up for adoption as usual and passed one by one, but when Sir George Schuster finally moved the third reading, the motion was rejected by the Opposition, and as there was no other business on the agenda, the House adjourned *sine die*. Thus ended the thirteen days' debate in the Assembly over Government's emergency taxation proposals, and Government having failed to obtain a verdict in their favour had to resort to the only remaining weapon, viz., certification of the Bill by His Excellency the Viceroy. This they obtained subsequently, with the result that the original proposals of Government are now on the Statute-book. (*Appendix* **10.**)

IMPROVEMENT OF INDIAN COTTON.

In a brochure issued towards the end of August, the Indian Central Cotton Committee reviewed at length the work done by them and outlined their proposals for future work. As regards the latter, it was proposed that :

(1) A botanical scheme in the Surat and Broach area should be financed with the object of obtaining a wilt-resistant strain of cotton having at least as high a ginning percentage as 1A and spinning qualities as good as 1027 A.L.F ;

(2) A botanical scheme to produce improved varieties of Dholleras, financed in part by the Indian Central Cotton Committee would not come amiss, provided the provision of funds by the Committee meant an increase in the number of workers ;

(3) That a substantial increase in grant should be made for physiological work in Sind ;

(4) Seed extension schemes for the rapid dissemination of the improved varieties already in hand, which would add materially to the growers' profits and supply mills with larger quantities of improved cottons were greatly to be desired in the Madras Presidency ;

(5) A botanical scheme as well as an investigation into the very low yield obtained from the Barsi-Nagar Oomras tract, could be started ;

(6) Something should be done to improve U. P. Bengals variety ;

(7) Further experimental work in devising means for the elimination of pink boll-worms in U. P. should be made ;

(8) In all wilt-infected areas, not already tackled, schemes of breeding for wilt resistance should be started ;

(9) Investigations should be made into :—

(*a*) the causes and prevention of excessive " Root Rots " ;

(*b*) excessive leafiness of certain cottons, e.g., Kumptas and Gaoranis ; and

(*c*) cost of growing cotton under conditions of peasant proprietorship.

The Committee of the Association was requested to express an opinion on the work done by the Indian Central Cotton Committee generally and the above proposals in particular.

The Committee were generally of the opinion that the work hitherto accomplished by the Central Cotton Committee had been of definite value to the cotton trade and the agriculturist generally. Even if the Central Cotton Committee had done nothing else, it was thought, its efforts in preventing a considerable deterioration of the quality of the Indian cotton crop as a whole during the last few years, would have justified its existence. With this viewpoint, one member of the Committee disagreed, and he was of the opinion that the results so far obtained were entirely incommensurate with the expenditure which had been incurred, especially in the direction of technological research. He further pointed out that the Punjab-American crop had definitely depreciated ; that there had been no improvement in the Kumpta-Dharwar crop, and that it suffered to a greater extent from black leaf than in the past ; that the value of Karunganis had definitely gone back ; and that the great hopes which were entertained in regard to Verum cotton some two years ago had not been realized. Other members appreciated the valuable preliminary work which had taken place, and which had resulted in the production on a commercial scale of new or improved types of cotton such as Jaiwant, Verum, Banila, Farm Westerns and Farm Uplands. They also agreed that the introduction of the Cotton Transport Act in certain districts had gone some way to reduce the extent of the malpractice of mixing in those areas. At the same time, they felt that the time had arrived when one might expect more appreciable results in the direction of improving the Indian cotton crop generally. There was a consensus of opinion that certain crops had definitely deteriorated even during the last few years in spite of the work of the Central Cotton Committee and the various Agricultural Departments. In this connection, particular mention might be made of the Punjab-American, C. P., and Hyderabad crops, or at any rate, that portion of these crops received in Bombay.

Proposals for future work.—As regards the proposals for future work outlined in the Central Cotton Committee's brochure, the Committee were generally of opinion that a greater portion of the Central Cotton Committee's funds should be utilized for the purpose of purchasing and distributing seed of improved strains or varieties of cotton to agriculturists throughout definite areas, in which it had been proved to the satisfaction of the Agricultural Department concerned that the growth of such cottons would be a benefit to the agriculturists. The Committee also agreed that further expenditure would be justified, in view of the excellent results achieved, in extending the practice of heat treatment of seeds over the whole of the cotton-growing districts of the United Provinces, and certain portions of the Punjab, for the prevention of Pink Boll-worm damage.

As regards the Surat tract, it was difficult to say whether the spread of the cultivation of 1027 A.L.F. was really in the best interests of the agriculturists, who apparently preferred to grow the inferior 1A variety, on account of the greater monetary return which it brought them. At the same time, the Committee agreed that it would be inadvisable, from the mills' and exporters' points of view, to countenance the growth of an inferior variety of cotton throughout this valuable cotton-growing area ; and they, therefore, felt that it was desirable to continue investigations for the purpose of producing a type of cotton which could be grown successfully in this area, which would have the spinning qualities of 1027 A.L.F., and would, at the same time, yield financial results to the agriculturists equal to those now obtained by growing the inferior 1A variety.

While not definitely opposed to expenditure on schemes for the prevention of the boll-worm in the United Provinces, physiological work in Sind, botanical schemes for Barsi-Nagar, investigation of root rot, and a general investigation into the cost of cotton growing, it was thought that these matters were of considerably less importance than the three schemes commented on above.

In connection with the general policy which should be followed in regard to the production of cotton in India, the Committee were of opinion that, in most parts of the country, it might be generally advisable to grow cotton of a staple under $\frac{3}{4}$" ; but at the same time, there was undoubtedly an increasing market for cottons capable of producing 30s to 50s counts of yarn. This was demonstrated by the following figures showing the production of yarn of over 30s counts in India during the last five years :—

Year.	*Counts* 30s-40s.	*Above* 40s.
1926..	26,645	10,435
1927..	31,643	11,899
1928..	35,370	9,454
1929..	45,719	14,212
1930..	56,657	23,612
1931 (7 months—Jan.-July)	41,124	19,834

(Figures in thousands of pounds.)

For these yarns, Egyptian, American and Uganda cottons were at present largely imported, and there would appear to be no insuperable difficulty in replacing at least the imports of Uganda and the better classes of American, to a large extent by cotton grown in India, if the problem were really taken in hand. This at once fastened attention on the possibility of the Sukkur Barrage area and certain other areas, where irrigated cotton could be grown, and certain members of the Committee felt that it should not be outside the bounds of practical politics for the Indian Central Cotton Committee and the Agricultural Departments concerned to lay down a programme for the growth and marketing of increasing quantities of certified cotton capable of producing finer counts of yarn.

Another suggestion which had been made to the Association was that the activities of certain co-operative sale societies, whose members grew improved varieties of cotton in the pure state, should be extended so as to include facilities for ginning and pressing of such cotton. This cotton, though marketed through the co-operatives, was sold as lint or seed cotton to merchants, and at this stage control was lost, and very often the purchaser—who had paid a reasonable premium for the cotton—deliberately mixed it with inferior types of cotton grown in the same locality ; and it was in this state that it reached Bombay and other large consuming centres, where it was sold under the name of the superior cotton of which it contained a proportion, with the result that the millowner received an entirely wrong idea as to the spinning properties of the improved cotton which he had nominally purchased. It was realized that before the co-operatives could do their ginning and pressing, as suggested above, they would probably require financial assistance of some sort, and the Central Cotton Committee might, it was thought, consider favourably the utilization of some of their funds for an experiment of the type indicated. It had often happened in the past that special types propagated by the efforts of the Indian Central Cotton Committee and the Agricultural Departments had been robbed of their value in the process of marketing, and this was calculated to affect ultimately the value which the agriculturist received for such types. It was the considered view of the Committee that cotton of such types should not pass out of the hands of the agencies under whose auspices it was sold except in the form of pressed bales, and it was highly essential that immediate practical steps should be taken by the Central Cotton Committee for the purpose of placing within the reach of such agencies ginning and pressing facilities such as would effectively prevent the mixing which so often took place.

Another suggestion which had been put forward by members of the Committee was that generous prize schemes might be financed by the Central Cotton Committee for agriculturists in all districts, similar to those in America, and monetary prizes given for clean cotton, yield per acre, etc., grown by agriculturists from seed supplied to them by the Central Cotton Committee. Periodical exhibitions also would be of value in stimulating interest among the agriculturists and the trade generally in the various efforts made by the Indian Central Cotton Committee and the Agricultural Departments for the improvement of the class and staple of various types of cotton.

It was not known how far the Indian Central Cotton Committee kept in touch with the consumer with a view to ascertain the precise value which

he attached to the special types of cotton produced by its labours. Whenever a special type was produced, it would appear desirable to trace its ultimate destination as far as practicable, so that a continual check might be kept on the methods of marketing such cotton. For instance, as stated above, one of the Committee members had found that Verum cotton had recently deteriorated to a considerable extent. If, on investigation, this was found to be correct, it might afford the Central Cotton Committee valuable means of tracing the factors which had operated to throw back the quality of this cotton and take measures accordingly for the purpose of rehabilitating its value in the eyes of the consumer. (*Appendix* **11**.)

STANDARDS OF AFRICAN COTTON.

(*See pages* 21 *and* 142 *of Report for* 1930.)

Early in April, the Special Appeal Committee on African Cotton of the East India Cotton Association considered the question of fixing standards for Uganda cotton, and recommended, *inter alia*, that the following minimum staple lengths be prescribed, as a tentative measure :—

AR Kampala, 1 1/16″
AR Busoga } 1″
AR Jinja }

and that the seller should not be entitled to claim " on " allowances for staple exceeding the minimum lengths as prescribed above. The Appeal Committee also suggested that these recommendations should apply to contracts for the season 1931, and that the question of revising the standards as well as of determining the minimum staple lengths of these descriptions of Uganda cotton be reconsidered in the next season.

When these proposals were brought to the notice of the Association, members using Uganda cotton were consulted, and it was ascertained that the proposed minima were too low, and that the buyers' interests were not adequately protected. The Committee were also informed that when mills had to pay a heavy premium over Broach for African cotton, it was inequitable to fix the minimum staple lengths for Jinja, Busoga and Kampalas at 1″, 1″ and 1 1/16″ respectively. The average staple lengths of these cottons were very much higher than the proposed minima ; for example, the average staple of AR Kampala was 1 3/16″ and the other two types 1 3/32″, and it was pointed out that anything less than these staple lengths would not adequately protect buyers, since it would rule out the possibility of their obtaining any redress from sellers who tendered cotton of staple lengths entirely unsuited for the counts of yarn for which Uganda cotton was commonly used. Such low minimum lengths might also lead to mixing of cottons which had done so much to damage the reputation of the Punjab-American and other Indian cottons.

A representation was accordingly addressed by the Committee to the East India Cotton Association.

The Committee's representation was considered by a special Sub-Committee of the East India Cotton Association under the chairmanship of Mr. G. Boyagis towards the end of May, when Sir Munmohandas Ramji and Mr. S. D. Saklatvala, representing the Association, strongly advocated its view-point, and pressed for the adoption of standards as suggested by the Association. A discussion ensued, as a result of which the chairman, Mr. Boyagis, observed that the data available at present, upon which the Sub-Committee was to arrive at a decision regarding staple lengths, were insufficient and unauthoritative. The Sub-Committee agreed with this view, and held that " it would be impolitic at present to lay down any staple length for any of the varieties of these standards." They, however, considered that, as a tentative measure, the buyer would be sufficiently protected against the staple question if a general stipulation, viz., " staple to be equal to the seller's private type so and so " were specified in the contract. The Sub-Committee, however, recommended that with a view to arriving at some authoritative basis on which to decide staple lengths, samples of fair average quality of Kampala, Busoga and Jinja cottons be forwarded to the Director, Technological Laboratory, Matunga, over one entire season for the purpose of determining staple lengths. The Directors of the East India Cotton Association accepted these recommendations, and the trade was notified accordingly. (*Appendix* **12.**)

THE BOMBAY COTTON CONTRACTS ACT COMMITTEE.

See pages 25 *and* 153 *of Report for* 1930.)

In June 1930, the Government of Bombay appointed a Special Committee to examine, *inter alia*, the working of the Cotton Contracts Act, 1922, and to make recommendations thereon. This Committee submitted their report in January 1931, and briefly stated, their recommendations were as follows :—

(1) The Committee considered that it was essential for the well-being of the cotton trade of Bombay that forward dealings in cotton should be under the control of a single body, and that the Act of 1922 was in this respect defective, since it did not provide for the exclusion of other associations purporting to deal in or to control forward contracts. They, therefore, suggested that steps should be taken " to prevent the setting up of any rival association purporting to deal in or to control forward business, by declaring such associations to be illegal under the Act."

(2) The Committee found that the " making void of contracts that contravene the by-laws of the Association has not been effective in suppressing illegal contracts," and, therefore, recommended that business should be permitted " to be done only with or through a member of the Association," and that the passing of illegal contracts should be made an offence punishable with fine. (Mr. Shivapratap Joshi disagreed with the latter part of this recommendation.)

(3) As regards the constitution of the East India Cotton Association, the Committee were of the opinion that a departure from the existing complicated system of representation was desirable, and proposed that there should be special representation on the Board, of buyers and sellers, and for this purpose, further proposed to amalgamate the existing Millowners' and Exporters' panels in order to constitute the Buyers' panel, and the Importers, Commission Agents and Merchants' and Jethawalas' panels to constitute the Sellers' section. They were agreed that the Representative Committee should be abolished and that the Board of Directors should consist of 16 members, 4 each representing buyers and sellers, 6 to be elected without reservation, and 2 nominated to represent growers. The Committee further recommended that, in the absence of any other means readily available, for their selection, representatives of growers should be nominated by the Indian Central Cotton Committee from the growers' representatives on that Committee.

At this stage the Committee ceased to be unanimous. The majority recommended that the election of the representatives of the Buyers' and Sellers' sections should be made by the general body of members. They proposed that the amalgamation of the panels, referred to above, should be for the purpose only of the first election, and that thereafter, the panels should be abolished, the candidates for election to represent buyers or sellers' interests be selected by a Nominating Committee, whose function it would be to determine whether the candidate could fairly represent the section to which he claimed to belong. In addition, they recommended that the special representation of buyers and sellers should cease after the sixth annual election.

A minority of the Committee, including Sir Joseph Kay, held the view that the proposal of the majority would place too much potential authority in the hands of the brokers whose interests were not always identical with those of the other sections of the trade. They were, however, willing that the six seats on the Board assigned to the general trade should be filled by brokers, but could not agree that the election of the reserved seats should be left to the general body.

(4) *Emergency powers of the Board of the East India Cotton Association.*—The Committee were of the opinion that the emergency powers conferred on the Board under By-law No. 52 should be retained, subject to the amendment that before exercising the powers conferred on them under this rule, the Board should refer their proposals to the general body, and should only act with the approval of 75 per cent. of the members present at the meeting.

(5) *Hedge contracts.*—The Committee found that there was a reasonable consensus of opinion among all sections of the trade that there should be three hedge contracts to cover the three main divisions into which the cottons of India could be distributed. They, therefore, proposed (by a majority) to retain the Broach contract as it was, with the addition only of Kumpta and Upland growths of the Dharwar District and to leave the existing two contracts in Fine Oomra and Bengal untouched.

Sir Ness Wadia and Sir Joseph Kay disagreed with this view, and held that they should not be giving the grower a proper hedge contract, unless all the main growths of cotton were tenderable against one or the other of the contracts which it was proposed to retain.

The Committee were, however, unanimous in their recommendation that, in future, forward trading should be for single months, and for any month of the year, and that the present system, under which crop contracts could not be opened until the first of May, should be retained.

(6) *Unit of tender.*—The Committee agreed that the unit of tender might be conveniently reduced to 50 bales.

(7) *Arbitrations on quality known as surveys.*—The Committee found that the existing system was unsatisfactory and recommended that a system of blind surveys with whole-time sworn surveyors should be introduced forthwith.

(8) *Universal standards.*—The Board found that a considerable difference might exist in the standards of different centres, as for example, between those of Bombay and Karachi, and were of the opinion that some universality of standard was most desirable so that, for example, what was known as "Fine Bengal" in Bombay might be "Fine Bengal" throughout India. The Committee, therefore, recommended that the Standard Committee of the East India Cotton Association should refer this question to the Imperial Council of Agricultural Research.

(9) *Certified godowns or bonded warehouses.*—The Committee proposed that the East India Cotton Association should maintain certified godowns or bonded warehouses in which the Association should hold in trust for members, cotton which it was proposed to tender eventually against hedge contracts. In a separate minute, Sir Ness Wadia stated that he felt that the Committee had not heard enough evidence to warrant this recommendation. He was of the opinion that the question required much deeper and further consideration than the Committee were able to give it, and thought that if certified warehouses were established, a tremendous reorganization of trade would be necessary. However, he recommended that the new East India Cotton Association when re-formed should appoint a representative committee of the trade with one or two men from the Port authorities and a banker to examine this question *de novo* to find if the scheme in the main report is feasible.

(10) *Trading hours.*—The Committee were of the opinion that trading hours should be fixed and enforced by the East India Cotton Association except for trading in ready cotton. They did not, however, make any recommendations regarding the actual trading hours, but left this for the determination of the general body of the Association.

(11) *Holidays.*—The Committee found that there were "undoubtedly grounds for the complaint that the constant closing of the cotton market has recently brought the cotton trade in Bombay into serious disrepute in the

other markets of the world." They, therefore, recommended that the rules of the East India Cotton Association might be amended so as to provide that the Board should fix holidays at the beginning of the year, and that the powers of the Board to close the market in an emergency should be limited to three consecutive days.

(12) *Brokerage rates.*—On considering the points for and against the fixing of minimum rates of brokerage for forward business, the Committee decided to make no recommendations on this point.

(13) *Ring trading.*—The Committee recommended that the East India Cotton Association should take over the control of the ring trading in the bazaar, and that for the general purpose of regulating forward trading both in the bazaar and at Sewri, a Ring Committee should be appointed annually by the general body. They also proposed that all members of the East India Cotton Association, who are British subjects, should have the full right to make use of the trading in the ring. They also favoured (with the exception of Sir Ness Wadia) the admission into the ring of all those members of the Brokers' Association who were on their registers on the 30th November 1930.

(14) *Fixing of differences.*—The Committee were of the opinion that the fixing of rates for differences between standards of growths and the method of settling the standard rate should be done by the Board of Directors, who should themselves determine the rates on the first day of each delivery period, and revise them periodically if circumstances rendered it advisable to do so. They also held that the Board should fix the difference between the different grades of the various descriptions of cotton tenderable against the contracts on the first day of each delivery period, and revise them periodically, if circumstances necessitated it.

(15) The Committee recommended that fluctuations of prices in the forward market should be regularly registered and published, and that Teji Mandi dealings should be brought under control by the enforcement of cash premia and regular payment of difference through the Clearing House.

(16) Finally, the Committee also made some recommendations for the reduction of handling charges.

Soon after the publication of the Report, the various bodies associated with the cotton trade of Bombay were invited by Government to express an opinion on the various findings of the Committee. Government also issued a Press *communique* extending the life of the Cotton Contracts Act so as to cover trading in the new crop of 1931-32.

Writing to Government on the Wiles' Committee's recommendations, the Committee of the Association stated that :

It was essential there should be a single controlling authority with legislative sanction for the cotton trade of Bombay.

The proposal to reconstitute the existing panels was accepted, but the Committee were unable to share the majority view that the panel system should be abolished after the first election of the Board, selection thereafter being done by the Nominating Committee for a period of six years. The majority of the Committee of the Association held that so long as the special representation of the buyers' and sellers' interests remained, the members belonging to the respective panels should elect their own representatives for the reason that this method of election would ensure a strong and representative Board.

In regard to the question of hedge contracts, the Association accepted the minority view that retention of the Broach contract as at present, with the inclusion of Kumptas and Uplands from Dharwar, did not give the grower a proper hedge unless all the growths were made tenderable against one or the other of the three contracts which it was proposed to retain. In this connection, the Committee were of the opinion that it would have been desirable if Sir Ness Wadia's suggestion to include Southerns and a portion of the Moglai crop in the Broach, and the remainder of the Hyderabad State crop in the Oomra contract, had been accepted. However, as a *via media*, it was suggested that Karunganis and Cambodias of a minimum staple of $\frac{7}{8}$" should be included in the Broach contract.

The Association had no remarks to offer on the Committee's findings regarding forward trading, unit of tender, blind surveys, universal standards, trading hours and holidays. The introduction of certified godowns was welcomed, and it was suggested that the East India Cotton Association should investigate fully the practical problems connected therewith.

As regards brokerage, the Committee of the Association suggested that the East India Cotton Association might, within a specified period, lay down the rates for brokerage for forward business.

Ring trading.—The majority's proposal that the East India Cotton Association should take over the control of ring trading in the bazaar was accepted, but the Committee agreed with Sir Ness Wadia in his opposition to the members of the Brokers' Association being admitted to the "ring," whether they were members of the East India Cotton Association or not. However, as a compromise, it was thought that the majority recommendation might be accepted if such a concession would mean that all those who were given the right to trade in the "ring" must ultimately become members of the East India Cotton Association, thus leading to the gradual elimination of trading in the "ring" by non-members.

Teji Mandi transactions.—It was felt that the Committee were to a certain extent right in holding that these transactions had become a feature of the forward market to such an extent that the East India Cotton Association would probably be unable to suppress them. The Association hoped that the provisions recommended by the Committee would result in a reduction of their volume. It was suggested, however, that the Clearing House should maintain a record of payments made by way of difference in Teji Mandi transactions, so that the extent of such transactions might be known.

After reviewing the opinions expressed by various bodies interested in the cotton trade, the Government of Bombay published their findings on the Wiles' Committee recommendations early in June. Briefly stated, Government held that the Committee had proved their contention that the control of forward trading ought to be in the hands of an association representing all the interests involved, and that it would be unsafe to permit more than one authority to regulate these speculative transactions. Government, therefore, accepted this recommendation, and further decided " with some reluctance to accept the recommendation that forward business shall be done *only* through the agency of a member of the Association and to prohibit other forward transactions."

As regards the constitution of the East India Cotton Association, while fully appreciating the desire of the majority to remove the somewhat artificial deficiencies of the trade, Government saw no alternative but to leave to the future the further move forward to this goal. Meanwhile, they interpreted the sense of the report to be that the majority would accept the minority recommendations as being a substantial step towards the ideal constitution. Government, therefore, proposed to accept the minority recommendations, and were of the opinion that if the hope of the majority that general opinion would have been converted to their view within three or four years was fulfilled, it would be possible to incorporate it in the constitution at the end of this period. Dealing with the admission of members of the Brokers' Association into the trading ring, Government realised, while unwilling to reject the decision of the Committee which was obviously of the nature of a compromise, that the admission of these outsiders was without a precedent in other associations, and might give rise to trouble in the future. They, therefore, desired that the East India Cotton Association should consider whether it should not require these sub-brokers to join the Association as associate members.

Dealing with the question of hedge contracts, Government found that " the width of the opposition between the two schools of thought showed no signs of narrowing " and that it was not possible for them to interfere in this highly technical question. They therefore recommended the adoption of the Committee's (majority) proposals with effect from the next season. Government accepted the Committee's recommendations as regards blind surveys and were content to leave it to the Association to work out the exact details of the scheme. Government interpreted the recommendation of the majority for the establishment of bonded warehouses to mean that not until one year after the introduction of a blind survey system should the Association introduce any scheme of survey godowns, and that, in the meantime, its practicability should be thoroughly explored and its relative advantages and disadvantages examined.

The only remaining recommendation of importance related to the control of option dealings. Government accepted the finding of the majority that " Teji Mandi dealings have become to such an extent part and parcel of forward business in Bombay that it would be impossible for the Association to suppress them." They, however, directed that the Clearing House should maintain special registers recording the effects of these transactions,

Finally, Government proposed to retain the East India Cotton Association intact, subject to certain amendments of its constitution, and stated that it remained for the Association, if it accepted the conclusions of Government, to take steps immediately to carry out the proposed changes in the articles of the Association. It was also pointed out that Government proposed to introduce in the July session of the Legislative Council a Bill containing and extending the powers given to the Association by the existing Act.

Government's findings on the Bombay Cotton Contracts Act Committee were placed before a meeting of the Representative Committee of the East India Cotton Association on 22nd June, when the following resolution was unanimously adopted :—

"That this extraordinary general meeting of the East India Cotton Association, Limited, approves the principle, though not fully satisfactory, contained in the Government's resolution dated 9th June 1931, of the Government of Bombay in Finance Department, on the report of the Cotton Contracts Act Enquiry Committee."

The articles of association of the East India Cotton Association, especially those which appertain to the constitution of the Association, were subsequently revised on the lines indicated in the minority report, and the revised constitution has since been sanctioned by the Government of Bombay.

In accordance with the last paragraph of the Government's resolution, a Bill to extend the powers given to the East India Cotton Association was introduced in the Legislative Council by the Hon'ble Sir Govindrao Pradhan.

The principal changes which the Bill sought to introduce were :

(1) The restriction of forward business to the agency of a member of the East India Cotton Association and making legal the passing of other forward contracts ;

(2) The amendment of the constitution of the East India Cotton Association in the manner proposed in the minority report of the Wiles' Committee ; and

(3) The assumption of authority to frame by-laws for the regulation of auction dealings and the institution and maintenance of certified godowns.

The amendment of the constitution involved the abolition of the Representative Committee and the amalgamation of the 5 panels into *three* representing Buyers, Sellers and Brokers with representation upon the Board of 4, 4 and 6 members respectively, and 2 additional members representing Growers to be nominated by the Indian Central Cotton Committee.

In moving the first reading of a Bill "to provide for the regulation and control of transactions in cotton in Bombay" in the Legislative Council on 29th July, the Hon'ble Member in charge of the Bill stated :—

"The main clauses of this Bill are really that the transactions in cotton as regards forward deliveries are tried to be given to only one association and any other bodies which deal in forward transactions are to be declared illegal.

As regards ready transactions, they are also to be transacted according to the by-laws which have got to be approved by Government. These by-laws will be prepared by the association and will be subject to the sanction of Government.

Then there is a change made as regards the constitution because the panels are changed and representation is given to the growers. The growers, of course, have no recognized association. Therefore, for the present it is intended that the representatives of the growers on the panels will be persons who will be nominated by the Indian Central Cotton Committee, but they will be actually growers. The main object of Government in bringing forward this Bill is to prevent speculation. The Bill is mainly intended for the benefit of the growers. Government do not wish to fatten the big cotton merchants who are there already but the main object of Government, as I have said, is to prevent gambling and also to see that the interests of the growers are safeguarded."

He further stated :—

" According to the Standing Orders, the principle of the Bill and any amendments to the principle of the Bill have got to be considered at the first reading, and I have got no option left. After hearing the speeches of the persons who have studied this Bill, we shall be in a position to know what is actually passing in their minds. The real person in this House who has certainly studied this question on the Government benches is my Secretary, the Honourable Member Mr. Wiles, who was the Chairman of that Committee (The Bombay Cotton Contracts Act Committee), and after hearing the views of the other honourable members, the whole thing will be summarised and replied to by the Hon'ble Member Mr. Wiles, and then, as I have said, the Bill will be committed to the select committee where every possible facility will be given to hear expert evidence if necessary and to hear all the objections that may be put forward as far as possible."

In the discussions which followed, it became evident that certain sections of the House were clearly hostile to some of the important provisions of the Bill, for example, the unity of control which it was sought to concentrate on the East India Cotton Association. Explaining Government's position in regard to this principle, Mr. Wiles pointed out subsequently :—

" Government are satisfied on the evidence before them that it is absolutely essential both in the interests of the growers and of the trade that there shall be unity of control. The control is not going to be Government control ..... Government are going to hand it over to an association. In fact the principle of this Bill is to grant a charter to the East India Cotton Association, but the constitution of the Association is a matter which certainly can be gone into in detail in the select committee."

This did not satisfy the Opposition, and an amendment in the name of Rao Bahadur R. S. Asavale which sought to empower " any association founded in the City of Bombay " to control dealings in cotton, was moved on 30th July. A long debate followed on this motion, and Major W. Ellis Jones who opposed the amendment clearly warned the House against its consequences, and stated :—

" If this Bill is rejected or tampered with in principle, you will not, as many honourable members think, remove a monopoly ; you will merely transfer the control from an association whose interests are primarily marketing, to a number of associations who are primarily interested in price differences, which may arise from time to time. Whether you pass this Bill or not, cotton control will remain ; only instead of it being in the hands of men who are sound in trading knowledge, it will pass to speculators, who will in turn, once their operations have culminated, leave the cotton market to be exploited by the large capitalist to the detriment of the producer."

However, on the amendment being carried when put to vote, by a narrow majority of three, the Hon'ble the Finance Member withdrew the Bill. (*Appendix* **13.**)

FIFTEENTH SESSION OF THE INTERNATIONAL COTTON CONGRESS.

The Fifteenth Session of the International Cotton Congress was held at Paris during the week commencing June 23rd. Twenty nations of the world were represented at the Congress, Sir Thomas Smith and Mr. Harry Horsman from the Upper India Chamber of Commerce, Cawnpore, and Mr. H. H. Lakin, from the Millowners' Association, Bombay, representing the Indian cotton industry, and Mr. W. Roberts, from the Indian Central Cotton Committee, representing the Indian cotton growers.

After the inaugural reception was over, the Congress resolved itself into many sectional committees representing the cotton industries of various countries, and the chairmanship over the Indian section was offered to Sir Thomas Smith.

Briefly stated, two important subjects were discussed at the Indian section of the Congress :—

(1) Impurities in Indian cotton, and

(2) Mixing of Punjab-American cotton.

Regarding the first point, the representative from Austria complained that a great deal of Indian cotton, particularly from Sind, was mixed up with seed or particles of seed. He stated that this matter had been taken up with other spinners, and they considered that steps should be taken in the ginning factories in order to have the seed eliminated. In dealing with this complaint, Mr. Roberts stated on behalf of the Indian Central Cotton Committee :—

" You will know, and your Chairman has referred to it, that the Indian Government has passed an Act according to which every pressing factory must mark the hoops of all the bales with special marks and numbers, in order to enable the purchaser to trace the origin of the cotton. If you spinners will take the trouble to supply these marks and numbers to the Indian Central Cotton Committee in case of complaints, you will certainly get redress and contribute towards the remedying of the evil. The cotton spinners of the world have it in their own hands to obtain remedial measures as regards excessive moisture or mixture of seed, if they will take the trouble of making a complaint to the Indian Central Cotton Committee in Bombay. Personally, I do not think it would be of any purpose to adopt a resolution at this meeting asking that the mixing should be stopped, because the Indian Central Cotton Committee has considered this and other problems for a number of years, and if it were possible to do anything more they would have done so. I reiterate that it rests with the industry to bring complaints of this nature before our Committee in Bombay."

The German representative suggested that it would be helpful if the Congress were to take up, with the Indian Central Cotton Committee, the

question of oil spots in East Indian cotton, and he stated "in practically every bale of cotton there are oil stains." Mr. Roberts, in replying to this point, stated:—"I again ask the spinners, in case of any particular shipment that is stained by oil to submit the matter to the Indian Central Cotton Committee in Bombay. Oil spots are a very serious fault in Indian cotton, I admit, and unfortunately, the quality of our labour is perhaps not as efficient as in other countries."

After hearing Mr. Roberts' explanation, the Indian section resolved, on the motion of Mr. Joseph Wild, representing England, to express to the Indian Central Cotton Committee and to the Indian Government their satisfaction with the measures that are being taken to deal with the various problems in the production of raw cotton and the handling thereof. In accordance with the above decision, the following resolution was submitted to the Congress and ultimately adopted by them:—

"That this Congress records its satisfaction with the measures taken by the Indian Government in conjunction with the Indian Central Cotton Committee for the improvement of Indian cotton and expresses the hope that the efforts already made will continue to progress to the mutual benefit of all concerned."

MOISTURE IN EGYPTIAN COTTON.

At a meeting of the International Cotton Committee held at Brussels in October 1930, it was decided that a joint meeting of the Egyptian Cotton Committee should take place in Cairo at a later date. This meeting was accordingly held in January, and among the important subjects discussed were: moisture in Egyptian cotton; the effects of the mixing of different varieties; suggested standards of Egyptian cotton; the various aspects of the Egyptian Government's cotton policy; and means of extending the use of Egyptian cotton.

By far the most important of all the resolutions adopted at this meeting, at which the representatives of the Cotton Exporters of the Alexandria General Produce Association were also present, related to the percentage of moisture in Egyptian cotton. It was resolved:—

"That the degree of humidity which cotton should contain is 8.1/2 per cent. regain with a tolerance of 0.4 per cent. up and down, i.e., that all humidity above 8.9 per cent. must be paid for by the exporter to the spinner, whilst if the cotton contains less than 8.1 per cent. moisture the difference will be refunded by the spinner to the exporter. There is no allowance to be made by either party if the moisture in the cotton is between 8.1 per cent. and 8.9 per cent.

There will be established immediately in Alexandria a Testing House which will be supervised by the Government, and the exporters and spinners may each appoint a delegate.

The parties will be free to arrange whether samples drawn for testing shall be taken in Alexandria, or the port of disembarkation or the mill, but in every case the samples will be drawn by an expert belonging to an official testing house and the tests will be made in an official testing house and a certificate of the result issued to both buyer and seller. Representatives of both parties shall have the right to be present when samples are taken.

Weights to be taken under official supervision at the time of drawing samples."

This agreement was to apply to all shipments made from 1st September 1931 to 31st August 1932, subject to reconsideration by both parties, before the period of trial had elapsed.

Early in February, the Secretary of the International Federation of Master Cotton Spinners' and Manufacturers' Associations invited the attention of this Association to the above resolution, and pointed out that the resolution on moistures in Egyptian cotton required the consent of those associations in the Federation whose members were interested in Egyptian cotton. It was, however, presumed, that as members of this Association did not use large quantities of Egyptian cotton, it would have no objection to the erection of a Testing House under Government supervision in Alexandria and to the standards of moisture agreed upon by the spinner delegates at the Cairo meetings. The Committee entirely approved of the resolution on humidity, and welcomed the facilities which a Testing House in Alexandria under Government control would provide to purchasers of Egyptian cotton.

In this connection, the Committee also made certain unofficial enquiries from the Indian Central Cotton Committee about the feasibility of a testing organization in Bombay equipped on the same lines as the Manchester Chamber of Commerce Testing House, at which tests on moisture contents of cotton, yarn, etc., could be made. The Indian Central Cotton Committee were prepared to consider the proposal favourably, and at a meeting of their Technological Research Sub-Committee held early in July, they agreed that " there is a distinct need for a Testing House " in Bombay, and further suggested " that a strong sub-committee of all the sections of the trade likely to be interested should be formed to draw up a definite scheme with the total cost and the amount likely to be forthcoming from each section." They were also of the opinion that the initiative for calling together the several bodies, as suggested in the above resolution, should come from the Millowners' Association. Accordingly, early in November, the Association circularised a number of chambers, associations and firms interested in the proposal, with a view to ascertain the extent of support which a scheme of this nature was likely to obtain, but unfortunately, the response so far received has not been encouraging. (*Appendix* **14.**)

FUMIGATION CHARGES.

(*See pages* 50 *and* 301 *of Report for* 1929.)

Towards the end of June, the Committee addressed the Government of India in regard to the fumigation charges levied on American cotton imported into this country. It was pointed out that the charges collected in respect of cotton fumigated during the fair seasons of the years 1926-27 and 1927-28 were partly refunded in view of the heavy imports recorded during those seasons. Since then, no further refunds had been sanctioned, and the Committee enquired whether any decision had been reached by Government with

regard to refunding a part of the charges collected on the imports during the seasons 1929-30 and 1930-31 when there were heavy arrivals of cotton.

The Committee also urged that an effort should be made to reduce the total cost of fumigation, more particularly as it was possible that American cotton might continue to be imported into this country in large quantities.

Government stated that rebates on the fees charged from importers were given by them on the recommendation of the Finance Sub-Committee of the Indian Central Cotton Committee, and suggested that the Association might address that Committee on matters regarding fumigation charges. It also appeared that the accounts relating to the fumigation of American cotton for the period 1930-31 were considered by the Indian Central Cotton Committee in the middle of July, and their recommendations, if any, for further rebates would be given careful consideration by Government who, however, fully realized the desirability of keeping fumigation charges as low as possible.

A communication was accordingly addressed to the Indian Central Cotton Committee requesting information as to what refund, if any, had been suggested in respect of 1930-31 charges for fumigation and whether an early Government notification in the matter might be expected. It was also pointed out that a cursory examination of the various items constituting the fumigation charges during the financial year 1930-31 appeared to indicate the possibility of effecting savings under the heads of lighterage and Port Trust charges. Lighterage charges worked out at about Re. 1-14-0 per bale which appeared, on the face of it, excessive. This point was raised in 1926 by Mr. Geddis on behalf of the Association, but nothing was accomplished towards effecting a reduction. It was, therefore, suggested that the lighterage contract might be placed out for public tender every year together with information as to the extent of past importations.

In acknowledging the above communication, the Indian Central Cotton Committee pointed out that they had already suggested to the Government of India that a rebate amounting to 8 annas per bale should be given on all American cotton imported during the year 1930-31. However, past experience indicated that it was still too early to expect the orders of Government on the subject. With regard to lighterage charges, the Central Cotton Committee pointed out that lower rates were not immediately possible, as the existing agreement between the Port Trust and the Landing Contractors would terminate only on 31st March 1933, and it was not, therefore, possible to obtain any reduction in lighterage charges except with the free consent of the Lighterage Contractors. The existing contract was, however, the result of open tender, only one firm tendering although 11 firms applied for tender forms. With regard to the Port Trust charges, the Indian Central Cotton Committee thought that the amount was hardly excessive. This amount was required to compensate the Port Trust for extra work including labour and supervision charges necessitated by the landing of the cotton and its delivery and other incidental charges. The Government of India's orders regarding refunds have not yet been issued, but in the meantime, the Committee of the Association have authorized their representative on the Indian Central Cotton Committee to urge reduction in fumigation charges at all convenient opportunities. (*Appendix* **15.**)

PROPOSED EXPORT CESS ON RAW COTTON.

(*See pages* 19 *and* 139 *of Report for* 1930.)

In the last Annual Report, reference was made to a proposal submitted to the Government of Bombay by the Bombay Municipality in regard to the imposition of a cess of 4 annas per bale on all raw cotton exported from Bombay. As a result of the protests which this measure evoked, Government referred the matter back to the Corporation.

The objections then raised by the various commercial organizations to the proposed measure might be briefly summarised as below :

(1) That the Port of Bombay being principally a port of transit, any tax put on imports or exports at Bombay was a handicap on that port and was an artificial stimulus to other competing ports, e.g., Karachi, Okha and Bedi Bunder.

(2) That any tax levied on cotton at the Port of Bombay would be reflected in the prices of cotton available to the growers and from that point of view would be a loss to the cotton cultivators all over India.

(3) That the cotton growers of the Central Provinces, United Provinces and other cotton-growing parts of India who send cotton to Bombay for export should not be made to pay for the amenities of life of the residents of Bombay.

Referring to the objections mentioned above, the President of the Corporation stated, in a letter addressed to the Government of Bombay early in October :—

(1) The advantage of getting cotton in a big market like Bombay, and the facilities afforded for its storage and transport were so attractive that the charge proposed would not lead to diversion of trade.

(2) Short-staple cotton was practically a monopoly of India, and as its use was very profitable on account of its comparative cheapness, a small export duty would not prejudicially affect the interests of the grower.

(3) Bombay was the largest port for the export of cotton, and it could not be disputed that the cotton trade should pay its quota for the amenities provided in the City.

Towards the end of November, the Committee addressed a representation to Government dealing with the arguments advanced by the Municipal President for the imposition of the duty.

Dealing with the first point raised by the Municipality, the Committee stated that they could not accept the statement that the advantages of getting cotton in a big market like Bombay and the facilities for its storage and transport were so attractive that the small charge, which was proposed, would not in any way lead to diversion of trade. The fact remained, that with the town duty of Re. 1-0-0 per bale on all cotton entering Bombay and the higher

port and other handling charges in Bombay, Bombay's share of the export trade in cotton had remained practically stationary while that of Karachi had increased from 400 per cent. to 500 per cent. in recent years. Anything, therefore, however small in itself, which would tend to make the port of Bombay dearer would cause trade to be diverted to other ports, especially to the Kathiawar ports, which were making a bid to capture much of the trade which normally passed through Bombay.

Referring to the second point, it was pointed out that there was no warrant for the assumption that Indian short-staple cotton was, as compared with the long-staple cotton in other countries, practically a monopoly. The Indian Fiscal Commission definitely stated that Indian cotton was neither a monopoly nor a semi-monopoly and that it would be most dangerous to assume that India had a semi-monopoly in the supply of even the short-staple cotton.

In connection with the third point advanced by the Municipality, the Committee pointed out that the cotton trade already bore more than its fair share of Imperial and Provincial taxation, and that Government should not accord its permission to local bodies, like the Municipality, to make any further raids on it.

It was also recalled that the Fiscal Commission, in dismissing the proposal of export duty on cotton, specifically stated that a duty if levied would fall on the cotton producer in India and would have the effect of discouraging the production of cotton.

It is understood that all chambers and associations in Bombay interested in the cotton trade have protested against the proposal, but Government's decision in the matter is still awaited. (*Appendix* **16**.)

RAILWAY FREIGHTS ON COTTON.

Towards the end of August, the Board of the East India Cotton Association appointed a joint Committee consisting of representatives of the principal trading interests in Bombay for the purpose of making a joint and influential representation to the Government of India urging on them the imperative necessity of making a reduction in railway freights on cotton, in view of the unparalleled depression in the trade and the persistent and catastrophic drop in the prices of this commodity. This Association was asked to nominate two representatives to serve on this Committee. Mr. T. V. Baddeley and Mr. S. D. Saklatvala accordingly attended a conference of representatives from the East India Cotton Association, the Bombay Chamber of Commerce, the Indian Merchants' Chamber and the Indian Central Cotton Committee, held in the rooms of the East India Cotton Association on the 17th September under the chairmanship of Mr. Haridas Madhavdas, Chairman of the East India Cotton Association. It was decided at the above conference that the Railway Board be approached with a request for immediate reduction of 50 per cent in all cotton freights, and it was further agreed that the Government of India's attention be drawn to the fact that inaction on their part would militate against free movement of the crop, hamper free trading, and result in acute agrarian discontent and subsequent loss of land revenue to Government. It was also agreed to suggest to the Government of India that th loss of revenue consequent upon the acceptance of this proposal be met

by enhancing railway freights on imports and by rigid retrenchment and economy in railway administration. A telegram was accordingly sent to the Government of India, but it was subsequently understood that the Committee of the Bombay Chamber of Commerce addressed a letter to the East India Cotton Association dissociating themselves from the suggestion made in the latter part of the telegram. It was contended on behalf of the Chamber that " the terms of the telegram exceeded the terms of reference under which the meeting was held, inasmuch as they specified the extent of the reduction asked for, and suggested means by which the resultant loss of revenue to railways should be made good." (*Appendix* **17.**)

INCREASED IMPORT DUTIES ON ART SILK PIECEGOODS.

Artificial silk piecegoods began to be imported into India in appreciable quantities only about ten years ago. The chief sources of supply were at that time England and Italy, and the bulk of the goods imported were mixed goods of cotton and artificial silk in which the latter material was used to produce ornamental effects in stripings. Mills in India, and particularly in Bombay, very soon appreciated the value of art silk as a medium for the production of decorative effects on a wide range of fabrics, but in the early days, difficulties were experienced in using it owing to its dissimilarity to cotton yarn. After a time, these initial difficulties were overcome, and a considerable trade was built up by Indian mills in certain goods in which a small proportion of art silk was used. Later on, substantial improvements were effected in the quality of art silk yarns, and as this was accompanied by a gradual fall in price, the handlooms began to use it largely for the production of imitation silk *saris*, shirtings and dress materials. These goods generally contained 50 per cent. or more of art silk, and while mills in a few instances commenced to manufacture lines in which either the warp or the weft was entirely composed of art silk, the great bulk of the mill-made fabrics consisted of styles in which the percentage of art silk used was relatively small.

In the year 1927-28, the position was that importations of art silk yarn had risen to 7½ million pounds, and they have remained at that figure since. Out of these imports, the handloom industry, according to various authorities, consumed between 5 and 6 million pounds per annum.

With regard to piecegoods, in 1928-29, out of 50 million yards of imported art silk goods, Japan sent less than 4 million yards. In 1929-30, out of 56½ million yards, Japan's share was 25 million yards ; in 1930-31, 38 out of 51 million yards. As far as pure art silk goods were concerned, the latest import figures showed that the competition of England, Italy and Germany and every other country in all but the finest qualities had been almost entirely squeezed out owing to the phenomenally low prices at which the Japanese had been marketing their goods in India.

Although the cotton mills of India produced only very small quantities of cent per cent art silk goods, they were vitally concerned in the fixation of an adequate duty on art silk piecegoods imports because of their indirect competition which had ruined the demand for certain classes of cotton fancies and had lowered the price obtainable for all cotton textile fabrics. Mr. Hardy in his report on the external competition in the cotton piecegoods trade,

published in 1929, dealt at some length with the effect of indirect competition on the prices of Indian lines of quite a different character. Had Japanese art silk taffetas then been sold in the quantities and at the prices at which they were sold in August 1931, he would undoubtedly have agreed that the general price level and demand for cotton goods were being very seriously affected by the indirect competition of Japanese art silk taffetas.

Most lines of cotton fancies had become extremely difficult to sell owing to the growing tendency on the part of the consuming public to substiture them by the less hard-wearing but more attractive-looking brocade patterns in which imported art silk goods were manufactured, facilities for the production of which were not available to any extent in India. Certain lines of fancies which used to sell freely had been almost entirely wiped out, for instance, it had been brought to the notice of the Committee that in one particular line of dobby striped fancies, the sale had fallen to less than 1,500 packages per annum from about 10,000 to 15,000 packages a year ago, owing to their substitution by Japanese taffetas. It appeared that the demand for this line could be re-established if increased import duties on foreign art silk piecegoods were imposed. The factors which contributed to the fall in the price of Japanese art silk piecegoods were most difficult to ascertain, but the full extent of the drop could certainly not be accounted for by the fall in the cost of the art silk yarn of which the fabric was composed. Art silk yarn suitable for the manufacture of art silk goods usually sent to India, had fallen in price by about 20 per cent ; whereas the fall in the price of Japanese art silk taffeta had been very nearly 50 per cent. If Japanese art silk yarns had fallen to a lower price than art silk yarns from other countries, the position would be comprehensible, but such was not the case, for if it were, it would be logical to expect that the chief source of India's imports of art silk yarn would have been Japan, whereas, as a matter of fact, the imports from that country into India were negligible ; and it was, therefore, more than probable that the low prices at which they were being sold in India, were only possible owing to the very heavy import duties imposed on art silk piecegoods entering Japan and the Government assistance which the rayon industry in that country enjoyed. Careful analysis of typical styles of Japanese art silk cloth, and the cost of producing exactly similar styles on handlooms in India, showed that the Japanese prices, including import duty, landing charges and profit were considerably lower than the cost of producing similar styles in India.

The matter was carefully considered by the Committee, and in the middle of August a representation was addressed to the Government of India urging the imposition of increased import duties on art silk piecegoods. It was pointed out that effective competition from the handloom industry against these cloths would only be possible if the disparity between the price of Japanese cloth and local manufactures was removed by a substantial increase in the import duty. . This, it was suggested, should be accomplished by fixing the duty on art silk piecegoods at the same *ad valorem* rate as that on real silk piecegoods with a minimum specific duty of Re. 1-8-0 per lb.

It was pointed out that, apart from the need for higher *ad valorem* duties, the case for the imposition of the same *ad valorem* rates of duty as on real silk, was supported by the practice adopted in other countries where it was a general rule to make no distinction between real and art silk in the

import tariff schedule. The existing position in India was anomalous inasmuch as the *ad valorem* duty of 20 per cent. on art silk piecegoods imported from countries other than Great Britain was actually less than the *ad valorem* duty on cotton goods imported from the same countries and only half the *ad valorem* rate of duty on silk piecegoods. In Japan, the duty on piecegoods containing more than 50 per cent. of art silk was about 5*s.* 9*d.* per lb. ; in the United Kingdom it was 3*s.* 6*d.* per lb. under the ordinary tariff and 2*s.* 11*d.* under the preferential tariff. In the United States of America, the duty worked to about 60 per cent. *ad valorem*, and in France, about 2*s.* 3*d.* per lb.

The case for the levy of a specific duty on art silk piecegoods was further strengthened by the most cursory examination of the duties levied on such fabrics in other countries.

No direct reply was received to this representation from the Government of India, but in the Supplementary Finance Bill introduced by the Hon'ble Sir George Schuster in the Assembly on the 30th September, Government provided, *inter alia*, for an increase in duty on art silk piecegoods to 50 per cent. *ad valorem*, the increased duty taking effect from the 30th September. (*Appendix* **18.**)

DUTIES ON COTTON PIECEGOODS AND YARN.

The following table showing the rates of import duty on cotton piecegoods and yarn at various periods during the year under review, has been compiled for general information :—

	The rate of Duty applicable before the Cotton Textile Industry Protection Act was passed, i.e., prior to March 1931.	Rate of Duty before certification of the Supplementary Finance Bill, i.e., prior to 30th September 1931.	Rate of Duty applicable under the provisions of the Supplementary Finance Act from 30th September 1931.
ARTIFICIAL SILK YARN AND THREAD..	*Ad valorem* 7½% ..	*Ad valorem* 10% ..	*Ad valorem* 18¾%.
COTTON PIECEGOODS (other than fents of not more than nine yards in length)—			
(*a*) Plain Grey, i.e., not bleached or dyed in the piece, if imported in pieces which either are without woven headings or contain any length of more than nine yards which is not divided by transverse woven headings :—			
(*i*) Of British manufacture.	15% *ad valorem* or 3½ as. per lb. whichever is higher.	20% *ad valorem* or 3½ as. per lb. whichever is higher.	25% *ad valorem* or 4⅜ as. per lb. whichever is higher.
(*ii*) Not of British manufacture	20% *ad valorem* or 3½ as. per lb. whichever is higher.	25% *ad valorem* or 3½ as. per lb. whichever is higher.	31¼% *ad valorem* or 4⅜ as. per lb. whichever is higher.
(*b*) Others :—			
(*i*) Of British manufacture.	15% *ad valorem* ..	20% *ad valorem* ..	25% *ad valorem.*
(*ii*) Not of British manufacture	20% *ad valorem* ..	25% *ad valorem* ..	31¼% *ad valorem.*
COTTON TWIST AND YARN	5% *ad valorem* or 1½ as. per lb. whichever is higher.	5% *ad valorem* or 1½ as. per lb. whichever is higher.	6¼% *ad valorem* or 1⅝ as. per lb. whichever is higher.
ARTIFICIAL SILK PIECEGOODS—			
Piecegoods made *entirely* of artificial silk	....	....	50% *ad valorem.*
ARTIFICIAL SILK MIXTURES—			
(*a*) Piecegoods in which any portion of the warp or weft, *but not both*, contains artificial silk	....	....	34⅜% *ad valorem.*
(*b*) Piecegoods containing artificial silk *both* in the warp and weft	....	....	50% *ad valorem.*

TERMINAL TAX ON PIECEGOODS IN DELHI.

Early in January, the Committee were informed that the question of revising the existing terminal tax schedule, particularly the tax on piecegoods, was under consideration by the Delhi Municipality.

Delhi had always been an important distributing centre for piecegoods, and it was essential that every facility should be given to merchants to enlarge and extend their trade. The present terminal tax of 4 annas per maund weighed very inequitably on Indian as opposed to foreign piecegoods because of the higher value and lighter weight of foreign piecegoods as compared with that of Indian piecegoods. The Committee were informed that the schedule was revised in 1929 and the tax on Indian piecegoods reduced to 2 annas per maund, but that the reduction was not given effect to owing to the opposition of interested parties. The Committee felt very strongly that, at the present juncture, when everything possible should be done to encourage the offtake of Indian-made goods, some distinction should be made in the town duties charged on Indian-made as opposed to imported piecegoods. The Committee were, however, alive to the need of the Municipality having sufficient revenues, and much as they would have liked to plead for an entire abolition of the tax, what they now desired to suggest was that the rate for Indian piecegoods should be substantially reduced. It was felt that if this relief was given, it would materially increase the volume of trade passing through Delhi, and thus ultimately provide a larger revenue than would be the case if the duty was allowed to remain at the present high figure leading as it must to a considerable diversion of the trade in Indian piecegoods to other centres which imposed no such restrictions on the entry of goods within their territory. A representation was accordingly addressed to the Delhi Municipality. (*Appendix* **19.**)

INDIAN INCOME-TAX (SECOND AMENDMENT) BILL.

Taxation of Income Earned Abroad.

On the 26th January, the Hon'ble Sir George Schuster introduced in the Legislative Assembly a Bill 'to amend the Income-tax Act for certain purposes.' The principal object which the Bill had in view, according to the Statement of Objects and Reasons appended thereto, was " to amend the law following the lines of the law in force in the United Kingdom so as to make residence the *main* basis of liability, while still retaining origin and remittance into British India as bases of liability in certain circumstances." It was further stated :—

" (1) Under the Indian Income-tax Act of 1922 (Act XI of 1922), while liability to tax is in certain circumstances affected by the residence of the person concerned, it depends mainly on the ' origin ' of the income (that is to say, the place where it accrued or arose) and the place where it is received.

(2) With unimportant exceptions, income received outside British India by or on behalf of a resident in British India is not liable to Indian income-tax unless—

(*a*) it is derived from business,

(*b*) it is remitted to British India, and

(*c*) it is remitted within 3 years of the end of the year in which it is received (*vide* section 4 (2)).

(3) The effect of this feature of the law must be to offer an inducement for the investment of money abroad, which might otherwise be invested in India, and thus not only to reduce the Indian revenue from income-tax, but also to affect adversely the supply of capital for investment in India."

Briefly stated, what the Bill proposed to do was to tax all income, profits and gains from whatever source derived :

(*i*) which accrued to a person within British India ; or

(*ii*) which accrued to a person without British India, if he was resident and domiciled in British India ; or

(*iii*) which accrued to a person without British India, if he was resident, *but not domiciled in British India,* in so far as he brought them or received them in British India.

Clause (*ii*) dealt with incomes accruing or arising to a person without British India *where the person was both resident and domiciled in British India* and Clause (*iii*) related to incomes accruing to a person without British India, *where the person was merely resident in British India, but not domiciled there.* In the case of the former, the Bill suggested that the tax should be paid whether the income was brought to British India or not, whereas in the latter case, when dealing with residents *not domiciled in India,* the tax would be levied *only on such part of the income as might be brought into or received in British India.*

Another amendment proposed by the Bill, according to the Notes on Clauses appended to the Bill, was :—

" The first two heads of income in Section 6 of the Act are ' Salaries ' and ' Interest on securities,' and these heads are explained in Sections 7 and 8. Section 18 provides a special machinery for the collection of tax under these two heads, namely, collection in advance by deduction at source. The machinery, obviously, can only be enforced where the deducting agency is within British Indian jurisdiction, and can have no application to taxable salaries and interest paid abroad. Hence the series of amendments in these clauses restricting the two heads to ' Salaries paid in British India ' and to ' Interest on securities paid in British India,'—which is in effect their present scope. Salaries and interest on securities paid abroad, which will now become taxable, will be included in the sixth head—' Other Sources.' "

The Bill was taken up for consideration in the Assembly on 27th March, and Sir George Schuster moved that it might be referred to a Select Committee for consideration. He stated at the same time that Government were prepared to accept a motion for circulation if such was the desire of a substantial body of the House. The President, therefore, called upon Mr. C. C. Biswass (Calcutta : Non-Muhammadan, Urban) to move his amendment for circulating the Bill for the purpose of eliciting opinions thereon. The debate that followed revealed that the House was inclined in favour of the

amendment, Government ultimately accepting the amending motion without challenging a division.

Accordingly, early in May, the Committee of the Association were requested by the Government of Bombay to express an opinion on the provisions of the draft Bill.

One of the main objects of the Bill, according to the Statement of Objects and Reasons, was to remove the inducement for investment abroad, which, it was stated, the present income-tax law offered. This principle was generally supported by the Committee as they fully realized the great desirability of mobilizing all available capital in India for investment in India. The Bill, however, went far beyond the necessities of the case, and contained many objectionable features, and it was thought that its adoption when India was suffering from the effects of a severe world depression, would have disastrous consequences.

The general scheme of the existing Income-tax Act based liability to tax thereunder upon the " source of income " and not on the " residence " of the tax-payer. Section 4 rendered liable to tax every income " accruing or arising or received in British India." In England, the liability to tax was based on the " residence " of the tax-payer. What was now proposed was to amend the Indian Act so that in addition to the existing liability, there should be another liability, namely, that based on " residence." Such a double liability, it was submitted, would be an unwarranted burden, and the assessee would be denied any relief which, if only one of the two systems prevailed, would be available. The Committee were not aware of any other country in the world where the basis of liability was twofold. In England, a foreigner did not pay income-tax on Government of India's sterling securities or the securities of any foreign Government, though the income accrued or arose in England. Similarly in the United States, no tax was paid by a foreigner in respect of dollar bonds of foreign Governments though the principal and the interest were payable in the United States. In Australia, the liability was based only on the source of income and not on residence.

In England, if the trade of a person residing in the United Kingdom was carried on entirely outside the United Kingdom, he was taxable only in respect of that portion of his profits or gains which he received in the United Kingdom. This rule was also applicable to income from foreign, dominion, or other possessions. The relief given to a British subject resident, but not ordinarily resident in the United Kingdom was somewhat wider, but here in India, under the provisions of the proposed Section 4 (1) (*b*) of the Bill, he would be liable on his entire income wherever it accrued and whether it was received in British India or not. These were only a very few instances to show the hardship of a twofold basis of taxation, but they were by no means exhaustive, and it was believed that the proposed amendment was likely to affect assessees more than Government could have anticipated.

More than one reason must have influenced the Finance Member in bringing forward this Bill, but he stated only one, i.e., the desirability of retaining capital in this country. Whatever the reason which influenced the

Government of India in bringing forward this measure, the Bill would prejudicially affect the larger interests of the country, for the reason that Indian international credit would always be better if there existed an inducement for Indians to invest their surplus funds in Government of India sterling stocks. If Government found it necessary to issue tax-free loans, which is in effect what happened when sterling stock was issued, it would be unfair to treat these stocks as though they were not tax-free if Indian-owned.

Apart from the question of twofold taxation, the Committee considered that the provisions of the Bill were such that there would be considerable inequality of taxation and many loopholes for evading the tax. For example, in the case of an Indian who was domiciled and resident in British India, he would be liable to tax on his income earned outside British India *even if such income was not brought into British India.* In the case of a person residing in British India *but not domiciled in British India,* if he did not bring the income earned outside British India into British India, he would not be liable on such income. This in effect would result in a direct discouragement to people acquiring a British Indian domicile, and an encouragement to renounce it, to those who had that domicile. So far as the Committee were aware, a considerable number of well-to-do assessees hailed from the Indian States; they had always retained some connection with their place of origin, and they would now see the advantage of claiming their domicile of origin. In the case of such assessees, it would be difficult, if not impossible, to prove against their own assertion that they had acquired a different domicile, and they would be at a great advantage over others who could not claim an outside domicile. There might, for example, be two well-established businesses in Bombay working in competition with each other; if the owner of one of these businesses or one of his forefathers came originally from Cutch or any other Indian State and he had not given up his domicile of origin—or said that he had not—the burden of taxation would be much lighter on him than on his rival. In practice, it would be found that a very large majority would escape assessment on this plea. For example, Cutch Memons from Kathiawar would be differently treated from Cutch Memons who had settled for generations in Bombay. The result of this differentiation would ultimately, in the opinion of the Committee, lead to a retention of capital in Indian States, which would otherwise be available for investment in British India. Similarly foreign companies doing business in British India, if they were controlled from outside, would be at an advantage over companies doing similar business, which were registered in British India.

Another objection which was advanced against the proposed measure was that the Kathiawar ports were drawing more and more of the trade which formerly belonged to Bombay, and it had been stated that some of the States secretly remitted the customs duty or a part of it, and thus drew the trade to their ports. If the Bill under consideration was passed, the Committee were of the opinion that the Government of India would have helped the Indian States very materially in diverting trade and industry from British India to the States. After the Bill was passed, it would be a great advantage to have an Indian State domicile. This advantage would be considerably increased if residence were also transferred to an Indian State, and this could be easily achieved, for, under Section 4A (*b*), a Hindu undivided family,

company, firm or other association of individuals was not deemed to be resident in British India if the central control and management of its affairs was situate wholly without British India. If the Bill was passed, it would result in a great many of the British Indian companies being wound up and restarted in Indian States.

The Bill appeared to the Committee to have been prepared in haste as it overlooked, for instance, certain protective clauses which ought to appear in such a measure. For example, if a British Indian made a profit of one lakh of rupees in his foreign trade, the whole of that would be liable to Indian income-tax and super-tax and *no reduction was admissible in respect of any income-tax he might have paid in the foreign country.* Under the Indian Act, there was limited relief when the double tax consisted of tax in British India and tax in the United Kingdom. Under the English Act, the relief extended to all cases where Dominion income-tax had been paid. (The expression "Dominion" means "any British possession or any territory which is under His Majesty's protection or in respect of which a mandate is being exercised by the Government of any part of His Majesty's Dominions.") It was submitted that if Government desired to proceed with the amendment, Section 49 should be amended so as to afford relief not only in respect of tax paid in the United Kingdom but also in the Dominions.

The object which the proposed amending Bill had in view was to protect Indian revenues, yet, the Committee observed, from a perusal of Clause 6 of the Bill, the provisions suggested therein would very likely have a contrary effect. Under ordinary circumstances, all salary and all interest on securities *earned* in India were liable to be taxed. If the proposed amendment was accepted, it would result in exempting all salaries and interests *earned in British India but paid outside British India* from tax. For example, a Government officer might work in India and earn his salary in British India, and arrange that it should be paid outside British India. In this event, his salary would be exempt from tax, and the proposed amendment would really fail to secure the object in view.

In the Statement of Objects and Reasons appended to the Bill, the proposed amendment as regards salaries and interests on securities was sought to be justified by Government. It was suggested that the machinery at present provided under Section 18 of the Act for the collection of tax under these two heads in advance by deduction at source *could only be enforced where the deducting agency was within British Indian jurisdiction, and could have no application to taxable salaries and interests paid abroad.* Government, therefore, proposed in the amending Bill to restrict these two heads to "salaries paid in British India" and the "interest on securities paid in British India"—which was in effect their present scope—and further suggested that salaries and interests on securities paid abroad, which would become taxable under the Bill, would be included under "other sources." It must, however, be noted that the proposed Bill sought to amend not only Chapter IV which dealt with "deductions at source" but also Section VI which dealt with "liability to assessment." It would thus always be arguable that if all that was liable under Section VI was "salary paid in British India," then a salary not so paid was not liable at all, and therefore, would not fall under "other

sources." The Committee pointed out that the deduction was at a certain percentage, and provided the source of payment was in British India, the deduction could be effected, no matter where it was actually paid. Further, " liability to pay the tax " and " deduction of the tax at source " were not the same thing, and even if there be some difficulty about deducting at source, the liability need not, for that reason, be extinguished altogether. No doubt, Section 18 (2) of the Act could apply only where the source of payment was in British India, but if the source was in British India, as long as liability to tax remained, the deduction might be made in British India, even if the actual payment was made outside British India. The Committee, therefore, suggested that if there be any practical difficulty in deducting at source, changes should be made in Chapter IV, not Chapter III, which defined taxable income.

The Committee urged that, if Government decided to proceed with the Bill, the anomalies pointed above should be removed, namely,—

(1) Relief ought to be given from double taxation in respect of persons who have already paid tax in a foreign country, in respect of their income earned in such a foreign country.

(2) The discrimination which was sought to be imposed as regards the liability to tax in respect of persons resident in India but not domiciled, and persons resident and domiciled in India, in connection with any part of their income earned outside British India, whether it was brought into British India or not, should be removed, and both should be treated alike.

(3) That the loss of revenue which might result from exempting salaries earned in British India *but paid abroad* should be avoided.

The majority of officials and non-officials and commercial organizations, who were consulted by Government, were almost unanimous in their opposition to the proposed measure. They were also clearly inclined to the view that the Bill, if passed into law, instead of " preventing the flight of capital abroad " might accentuate it, and lead to double taxation in respect of assessees with foreign incomes. More than one official source expressed the view that the measure was unworkable in practice, and would, if enacted, create considerable complications. The discrimination involved in the measure as regards domiciled and non-domiciled residents of British India also elicited some adverse comments from non-official quarters, which held the view that it would be impolitic to raise such a controversial issue at the present moment in India, when an amicable method of liquidating India's constitutional claims was being anxiously explored in London.

The Bill was, however, taken up by the Assembly on 9th September, when the Hon'ble Sir George Schuster moved its reference to a Select Committee consisting of Mr. Shanmukham Chetty, Sir Hari Singh Gour, Sir Cowasji Jehangir, Mr. S. C. Mitra, Mr. Anwarul Azim, Mr. Heathcote, Mr. Anklesarya, Sir Abdulla Suhrawardy and himself. He stated that if there was a feeling in the House that the most controversial issue should be altered, and that the principle of discrimination should be done away with, he was

prepared to have that examined by the Select Committee. This by itself was not all that was desired, and member after member rose one after another in prosaic succession to expose the implications of the proposed measure. The fate of the Bill is still uncertain, as the House has not yet been asked to vote on the motion to refer it to a Select Committee.

Mr. H. P. Mody, the Association's representative in the Assembly, made a very eloquent and valuable contribution (which is reproduced in full in the appendix) to the speeches made on behalf of the opposition. (*Appendix* **20**.)

SUPER-TAX ON INVESTMENT COMPANIES.

At the meeting of the Associated Chambers of Commerce held in December 1928, the following resolution, moved by the Burma Chamber of Commerce, was carried unanimously :—

"That this Association recommends to Government that, if the imposition of super-tax on companies in India is to be continued, effect should be given to the recommendation of the Taxation Enquiry Committee, that dividends received by holding companies from companies, which have already been assessed to super-tax, should not again be assessed to super-tax in the hands of the holding companies."

Speaking on the resolution, the Hon'ble Sir George Schuster, who was present on the occasion, stated on behalf of Government :—

"I do not want to argue whether this is a just or unjust tax. As a matter of principle, I think myself there is a very great deal to be said for the objections to this tax. I am quite prepared to admit that it is in practice something very like double taxation."

The above resolution was re-affirmed at the next session of the meeting, when Sir George Schuster, in explaining Government's attitude on the motion, said :—

"I do not think we can any of us talk of principles of abstract justice or injustice in the matter of taxation, and when it is a question of removing a tax, I am afraid I look at it not from that point of view but from the point of view of what the effect is going to be on the economic interests of the country. If there is a burden which is hampering genuine business then that is the sort of burden I should like to see removed. That is rather the test I would apply. Now, I think in the remarks I made last year, I made some reference to a desire to encourage the formation of genuine trust and investment companies. If the existence of this double super-tax were hampering the formation of companies of that kind which I think would be very beneficial to India, particularly just now, I would like to see that burden or obstacle removed. What I am looking for now is some form of legislation or action which will enable us to remove the burden on genuine trust and investment companies, but at the same time to preserve certain revenue which I think is being collected now without doing any intrinsic injustice and without doing any harm to the development of business."

Towards the end of May, the Government of India forwarded to the Committee for an expression of opinion thereon, the draft of a notification which, they stated, was designed to grant the desired exemption in favour of genuine investment trusts of the type referred to by the Finance Member

in his speech at the 1929 session of the Associated Chambers. It was also pointed out that an attempt had been made so to word the draft that, while exempting those organizations that served a public purpose in that they encouraged the small investor to add his funds to the capital resources of the country, by affording him good management and the security resulting from the spreading of risks, the concession would not be extended to holding companies which were formed solely for the private convenience of owners of shares in companies. The reference here was not only to the " one-man " concerns but also to other holding companies which were formed merely for the business convenience of the owners of the original company or companies, or to principal companies which had for similar reasons formed subsidiary companies. With this object in view, it was provided in the draft rules that the proposed exemption from super-tax would not be applicable to " any company more than 50 per cent. of the assets of which consist of shares in or debentures of any other company or which holds more than 50 per cent. of the shares or debentures of any other company."

The Committee approached this question with an open mind, but their examination of the scope of the proposed notification yielded only one result, namely, that the relief which one could expect would considerably fall short of what the Hon'ble Member stated he had in view, and that far from assisting in the development of trade and commerce of the country, it sought to perpetuate the existing practice, except in the case of investment companies which were formed solely to assist Government. There were many legitimate businesses, apart from investment companies, which were seriously handicapped by this double super-tax and which the proposed measure would fail to relieve. For instance :

A company doing business in motor cars and acting as agents for the sale of certain American cars could not under an agreement with the American manufacturers, in its own name act as the agent for any other manufacturers' car. The agency for an English car was offered to this company, which they could not take up in their names, and a subsidiary company had to be formed, subscribed by the principal company, for the purpose of taking up the business in English cars. This was quite legitimate business, and in no sense could it be said that these two companies had been formed, to quote Sir George Schuster's own words, " to hold certain shares, not for the purpose of doing business at all, but presumably for the purpose of providing machinery through which control can be exercised," and yet, under the proposed notification, the principal company had to pay two super-taxes. Clearly in this case, the double tax was unfair and was calculated to retard development of business.

A representation was accordingly addressed to the Government of India in which the Committee pointed out that under modern conditions it was becoming more and more necessary to do business in the name of companies, and when such business was done, if there was to be any arrangement for sharing profits, union of interests, co-operation, joint adventure or reciprocal concession, it could only be achieved by means of floating other companies or two companies exchanging shares, and to say that there should be only one company and no subsidiary company or any other company affiliated

to it was to impair its progress and activities. The injustice of the proposal would perhaps be better understood from the following example. There were two companies working in competition and they wished to avoid competition. These two companies might find it advantageous, if they wished to retain their existing identities, to form a separate company. If two individuals had a joint venture, they did not pay two super-taxes, but if, as in this instance, two companies floated a third company to undertake a joint venture, they must pay two taxes.

If this interpretation was correct, the Committee pointed out, companies must labour under great disadvantages as compared with individuals doing the same business. In England, companies did not pay super-tax and the same rule ought to apply here. In any event, the levying of two super-taxes on the same income was extremely unjust, and had greatly hampered commercial progress, and should, therefore, be removed in those cases at least where, in the words of the Hon'ble the Finance Member, "genuine business is hampered." If Government desired to give relief from double tax in all legitimate cases, it was urged the notification ought to be worded differently; for example, there should first be a general exemption from payment of double tax, and then exceptions should be set out. The Hon'ble the Finance Member had in his speeches stated what classes of companies he would not like to help : perhaps he had in mind companies and giant trusts which controlled hundreds of organizations, and these, it was pointed out, might be included in the list of exceptions to the general exemption. (*Appendix* **21**.)

INCOME-TAX.

Refund of Tax Paid.

Section 18 (2) of the Indian Income-tax Act provides that "any person responsible for paying any income chargeable under the head 'salaries' shall, at the time of payment, deduct income-tax on the amount payable at the rate applicable to the estimated income of the assessee under this head." It was represented to this Association that as the taxable minimum had been reduced to Rs. 1,000 a year, the case of certain departmental heads of mills, such as jobbers—and certain other classes of pieceworkers whose incomes vary between Rs. 80 and Rs. 90 per mensem—needed special consideration. It was also stated that this class of wage-earners, of whom there were many in the Bombay mill industry, drew their salaries at so much percentum on the earnings of the men working under them, or were paid on production recorded in their respective departments. Consequently, their wages were increased as production increased, or *vice versa*, and a man who drew Rs. 90 in the first month and paid tax thereon, need not necessarily draw the same amount in the succeeding month, and ultimately it might even be that at the end of the year the aggregate income in certain cases was less than the taxable minimum, whereas he had been paying tax on whatever amounts he had drawn. In this event, the question of refunding to the tax-payer the amount collected from him on his estimated income per year was very important. The law permitted the employer to make adjustments for taxes not recovered or recovered in excess, but so far as the Committee were aware, he was not

empowered to refund taxes already collected if the aggregate annual income was below the taxable minimum. Probably, the only remedy open to the aggrieved party in such cases was to apply for a refund to the Income-tax Officer of the District. But this method of relief was, it had been stated, of doubtful utility, for the parties being in most cases illiterate or not aware of the technicalities of the law, more often failed to take advantage of the machinery provided thereunder. To overcome these difficulties, the Committee suggested to Government that in cases where the aggregate annual income was below Rs. 1,000 per year, the employers might be empowered to make the necessary refund adjusting the amount in their first remittance after the completion of a year, such adjustments being always followed by a certified statement showing the total amount of salaries drawn by the parties in question and the tax collected from each. (*Appendix* **22.**)

ALLOWANCE FOR DEPRECIATION FOR WORKING DOUBLE SHIFTS.

Section 10 of the Indian Income-tax Act provides that the tax payable by an assessee under the head " business " shall be computed after providing, among others, an allowance in respect of depreciation on such buildings, machinery, plant or furniture as may be used in the business. Rule 8 under the Act lays down the scale of allowances granted to various classes of machinery, plant and furniture. In view of the fact that a number of mills were working double shift in Bombay during the year under review, the Committee considered on various occasions the desirability of making a representation to the Government of India for a revision of the Income-tax Act in respect of the allowances for depreciation when double shifts were worked, but there were many difficulties in the way of suggesting a workable provision which would satisfactorily meet the needs of the case, and for this reason, the Committee did not propose to commit themselves one way or the other until the views of the Government of India, who had already been addressed in this connection by the Indian Merchants' Chamber and certain other bodies, were available.

In a communication addressed to Government towards the end of December 1930, the Committee of the Indian Merchants' Chamber, Bombay, suggested an amendment of Rule 8 of the Income-tax Manual so as to base the depreciation allowances on the average number of hours worked during the financial year under assessment. Government were, however, unable to accept these suggestions, and stated in the course of their reply, "as a general proposition it may be stated that, apart from the renewals of small parts, bearings and the like, a machine which runs continuously for 24 hours will possibly last as long as a machine that runs only for 12 hours a day in that the process of starting and stopping with their attendant heating and cooling, expansion and contraction, are more responsible than anything else for the deterioration of the machine." Dealing with the administrative difficulties resulting from the acceptance of the Chamber's suggestions, the Government of India stated, " it would clearly be very difficult to fix normal working hours for each industry, and to verify the actual period during each year for which the machinery was worked at more or less than the normal number of hours per day."

Early in June, the Indian Merchants' Chamber forwarded their entire correspondence with Government to the Committee of this Association for an expression of opinion thereon. The Committee thought that no useful purpose would be served by pressing the Income-tax authorities to grant an increased allowance for depreciation when double shifts were worked. In the first place, they thought it would be difficult to make out a case in favour of allowances for double-shift working to one industry alone, and particularly an industry such as the cotton mill industry, which obtained no such concession even in the United Kingdom. In the second place, it was thought that the practical difficulties connected with the measure would be considerable, for, double-shift working was, as a rule, spasmodic, and was, moreover, usually confined to certain portions of the plant. If, therefore, depreciation on a higher scale were allowed in accordance with the hours worked, the income-tax returns filed by mills would become extremely complicated and difficult to check. Another point which had to be considered was that, besides the allowance for depreciation, adequate amounts for repairs were allowed out of the revenue. Then again, one had to consider that the grant of additional depreciation when double shifts were worked, would make out a case for reducing the allowance when shorter hours were worked, or when a strike occurred, and that if the Association supported a case for increasing the depreciation allowance merely for the reason that additional hours were being worked, Government might naturally be expected to demand a decreased rate of allowance for depreciation if shorter hours were worked. (*Appendix* **23**.)

PROTECTION FOR THE MAGNESIUM CHLORIDE INDUSTRY.

(*See pages* 136 *and* 498 *of Report for* 1924.)

In 1924, it will be remembered, in response to an application received from the Pioneer Magnesia Works, Kharagoda, the Government of India referred to the Tariff Board, the question of protecting the magnesium chloride industry. The Board then held that the industry would *never* be in a position to withstand foreign competition unaided, and was not, therefore, eligible for protection, and consequently, no recommendation was made in favour of the industry. Accepting the opinion of the Board, the Government of India rejected the application for protection.

In 1928, in response to representations received from the Eastern Chemical Company and the Dharamsi Morarjee Chemical Company, the Government of India referred to the Tariff Board the question of protecting the heavy chemical industry. It was, *inter alia*, stated in the terms of reference that Government had decided " to refer to the Tariff Board for examination these representations *along with any others of a similar nature which may be brought to its notice.*" In this connection, it is important to remember that magnesium chloride was not among the chemicals specified in the terms of reference but under the concluding portion of the Government resolution quoted above, the enquiry was not confined to the chemicals specified therein, but also applicable to other chemicals of a similar nature. The case of magnesium chloride was, therefore, again brought to the notice of the Board, who conducted a separate enquiry into this matter.

Reporting on their findings in 1929, the Board found that though, on the information available in 1924, it appeared that the industry was faced with severe competition from Germany and would rapidly succumb, the position had considerably altered since then. Costs had been reduced in several directions and processes improved until with the assistance of the revenue duty of 15 per cent. *ad valorem* it appeared that the industry was on the point of becoming firmly established. But the removal of the revenue duty in September 1927 as a result of Government's decision to admit free of duty principal chemicals and stores used by Indian industries, coupled with the subsequent reduction in prices of imported magnesium chloride, had reduced the industry to a precarious condition and necessitated a renewed application for protection. The Board also found it impossible to resist the conclusion that if the Indian industry were allowed to succumb to foreign competition, prices will be raised considerably above the present level, and the burden on the consumer would be greater than if a moderate protective duty was imposed. They, therefore, recommended a protective duty of 15 per cent. *ad valorem* which would correspond to the general level of revenue duties which obtained in 1927, and on the present prices would amount to 6 as. 11 ps. per cwt., and suggested that this duty be re-imposed and declared as a protective duty. As regards the period of protection, the Board recommended that this be provisionally fixed at 7 years, at the end of which period, they suggested, that the question be re-examined. The Board also stated, " *more important than the imposition of a specific protective duty is the necessity of providing against violent fluctuations in import prices, whatever may be the cause. As we have already indicated, the course of future prices is entirely uncertain and we, therefore, recommend that as we have proposed in the case of the heavy chemical industry, legislative provision should be made for the imposition of additional duties to offset any decline in import prices.*"

In accordance with the recommendations of the Tariff Board, the Government of India introduced a Bill in the Legislative Assembly on the 7th September, which provided, *inter alia*, for a protective duty of 7 annas per cwt. on magnesium chloride, and further laid down that this duty shall be effective up to 31st March 1939.

The Bill was taken for consideration on 21st September 1931, and Mr. H. P. Mody, the Association's representative in the Assembly, moved the following amendment :—

After Clause 3 of the Bill the following new Clause be inserted :—

" If the Governor-General in Council is satisfied, after such inquiry as he thinks necessary, that magnesium chloride of foreign manufacture chargeable with duty under item (7) of Section 2 (*b*) is being imported into India at such a price as is likely to render ineffective the protection intended to be afforded by such duty to similar articles manufactured in India, he may by notification in the *Gazette of India*, increase such duty to such extent as he thinks necessary."

In support of his amendment Mr. Mody drew the particular attention of the House to the desirability of legislative measures being provided for the imposition of additional duties to offset any decline in import prices as contemplated by the Tariff Board, and stated :—

" The position is briefly this : that there is a very powerful organization which controls the output of chemicals. That organization is established in India, as it is established

throughout the world, and its position is impregnable. That organization since the establishment of the magnesium chloride industry in India has continually brought down its prices, with a view to offset the competition of the Indian industry; and as a matter of fact, it will interest the House to learn that the price charged in Great Britain by the same combination is much higher than the price charged in British India, in spite of the fact that the freight and other charges to Great Britain should ordinarily be much less than those which would apply to imports into British India. I will read one or two extracts from the Report of the Tariff Board—the first one says :—

'It will be observed that the price in India is by far the lowest and it appears not improbable that an abnormally low price has been fixed in India in order either to destroy or to bring to terms the Indian industry.'

And they say further on :

'We have been informed by the representative of the Havero Trading Company that the present price of imported magnesium chloride is not a remunerative price to the manufacturer and it is doubtful whether a c.i.f. price of £3-19-0 per 1,000 kilos leaves the manufacturer any margin of profit. This is borne out to some extent by the proposal contained in the draft agreement, dated September 1927, between the Havero Trading Company on behalf of the Syndicate and the Pioneer Magnesia Works.'

Still further on they say :

'We are, however, satisfied that the price is considerably below what would be charged, were it not considered necessary to restrict the activities of the Indian industry.'

The sum and substance of these and other expressions of opinion on the part of the Tariff Board is that the price in India is regulated by the necessity of meeting Indian competition, that in Great Britain and other places it is much higher, and that the powerful organization which is in control of magnesium chloride and other chemicals is in a position not only to bring down its price to Rs. 3-4-6, but even to Re. 1-4-0, if it so chooses, which would be a matter of very little moment to them, but would be a matter of life and death to the Indian industry. Further, if members have studied this report, they will find that in a very recent case this has actually happened, when the foreign manufacturers submitted to a firm outside Bombay a price which was ruinous, and to which the Indian industry had to bring itself down in order to retain its custom. Therefore, all that my amendment seeks to do is that in the event of dumping, in the event of this combination bringing down its price in order to snuff out of existence the Indian industry, the Government of India should have the power without further reference to the Legislature to raise the duty to the extent of the reduction in price. I am not suggesting anything very novel. That precedent has been established in the case of a much bigger industry, namely, the steel industry; and I think it is very essential, if the Government of India desire that the protection that they are seeking to offer to the magnesium industry should be effective, that they should also have the power to prevent dumping. As the House is aware, it is not possible for the Legislature to take early action in the event of ruinous prices being quoted in the Indian market; and under those circumstances, I plead that the House, and more particularly in this case the Honourable the Commerce Member, will see not the slightest objection to my amendment which seeks to make effective, the protection which is being offered to the magnesium chloride industry."

The Hon'ble Sir George Rainy stated that he was not going to oppose the amendment on any ground of principle, and further added that if it was the general desire of the House that Government should have the power as contemplated in the amendment, they will accept the verdict of the House.

The Bill, as amended by Mr. Mody's resolution, was carried without a division.

THE INDIAN PARTNERSHIP BILL.

(*See pages* 56 *and* 337 *of the Association's Report for* 1930.)

On page 56 of the Association's Report for 1930, it was stated that a Bill " to define and amend the law relating to partnership " was introduced in the Assembly on the 21st January 1931. The Bill was, on the motion of Government, ultimately referred to a Select Committee of the House, but Sir Lancelot Graham, who was responsible for the motion, undertook on behalf of Government " to circulate the Bill by an executive order so that when the Select Committee meets in Simla, they will have before them all the necessary opinions " and accordingly, the Bill was forwarded to the Association towards the end of March for an expression of opinion thereon.

The Bill was substantially the same as when framed by Government for the consideration of the expert committee of lawyers. Writing to Government in 1930, the Committee generally approved of the Bill, but suggested that Government might, in due course, explore the possibilities of making " registration of firms " compulsory. However, after a further discussion of the pros and cons of optional as opposed to compulsory registration of firms, the Committee were now inclined to favour the proposal made in the Bill for optional registration, and Government were informed accordingly. (*Appendix* **24.**)

PROPOSED ECONOMIC ADVISORY ORGANIZATION IN INDIA.

Towards the end of November, the Government of India invited the League of Nations to arrange for Sir Arthur Salter to pay a short visit to India for consultation with regard to the creation of a new economic organization in India. The purpose of the organization contemplated was defined as the " study of economic questions, including both the continuous interpretation of current developments and the consideration of plans designed to achieve particular purposes." The letter of invitation further added that in this connection Government had given attention to organizations which had recently been established in other countries, and particularly to the work which had been done by the League of Nations ; and it was Sir Arthur Salter's experience as Director of the Economic and Financial Section of the League which they considered might be of special value to them. It is one of the normal functions of the League organization to assist a Member State in securing the advice of any persons whose special experience might be required in connection with technical or administrative problems, whether such persons are drawn from the regular staff of the League Secretariat, or are experts, normally occupied in their own countries, but known to the League as having been temporarily associated with its work. The invitation was, therefore, accepted, and Sir Arthur Salter was requested to go to India as an international officer of the League for the consultation desired. Accordingly, he arrived in India early in January, accompanied by Mr. A. E. Felkin, another member of the League Secretariat.

Sir Arthur was in India for about 5 weeks, and during this short period, he had consultations with representatives of Government, Legislatures and

Administrations, chambers of commerce and various other bodies in the country. When he was in Bombay, a special sub-committee of the Association consisting of Mr. H. H. Lakin, the then Deputy Chairman, Sir Dinshaw E. Wacha, Mr. S. D. Saklatvala and Mr. Lalji Naranji had a discussion with Sir Arthur Salter on various questions connected with the proposed organization.

Sir Arthur subsequently presented a report outlining his proposals for the establishment of a Central Economic Advisory Council in India, which has since been published, but it is not known what further action Government propose to take in the matter. (*Appendix* **25**.)

PROPOSED ESTABLISHMENT OF A CITY CIVIL COURT IN BOMBAY.

In the middle of June, the Government of Bombay forwarded to the Committee copy of a Bill " to provide for the establishment of an additional Civil Court for the City of Bombay " and requested them to express an opinion thereon. The Bill, if passed into law, would enable the Government of Bombay to create a new court to be called the Bombay City Civil Court for the disposal by regular (i.e., non-summary) procedure of suits and proceedings arising in the City and Island of Bombay, the subject-matter of which did not exceed Rs. 5,000 in value. According to the Statement of Objects and Reasons appended to the draft Bill, it appeared : " Many classes of suits and other proceedings are excluded from the cognizance of the Small Causes Court as being unsuitable for disposal by a Court of summary procedure. Many suits of the classes so excluded are comparatively petty and their trial by a Court of the calibre of the High Court involves not only a waste of judicial power but a practical denial of justice to would-be suitors who are unable to bear the relatively high cost of legal assistance in that Court."

After careful consideration of the draft Bill, the Committee opposed the measure, as, in their opinion, it would be both uneconomical and inexpedient at the present juncture, and would not make the administration of justice either cheaper or more expeditious for the small trader and businessman in Bombay. It was probable that the present congestion of work in the High Court might be, to some extent, relieved by the transference to the Civil Court of those classes of suits which, being excluded from the cognizance of the Small Causes Court, are triable at present only by the High Court. But the advantages to be gained would, however, be small, and more than offset by the higher costs of litigation in the City Civil Court with its scale of fees for the institution of suits fixed at an *ad valorem* basis compared with the lump cost allowed by the High Court in such classes of suits. Apart from the question of costs, it was believed that the right to carry appeals from the City Civil Court to the High Court would not be conducive to the early disposal of suits small in value and involving no important principle of law or practice.

Another ground which the Committee desired to advance was the severe strain which the creation of a new court with its expensive machinery

and establishment charges would impose on Government's finances, and it was not a little surprising to see Government coming forward with the proposal when only a few months previously, the Hon'ble Sir Ernest Hotson, the Home Member, speaking on the proposal in the Legislative Council, stated: "It must be remembered that for the first few years, instead of resulting in an economy such a Civil Court would be a source of extra expenditure. For the first year or two, at all events, we could not reduce the number of High Court Judges, and we should have to bear the cost of the Civil Court in addition. However desirable that Civil Court may be, I think this House will agree that the present financial position of the Presidency is not such as to justify its immediate creation."

While the Committee were opposed to the measure in its entirety, they suggested for the consideration of the Government an alternative which, in their opinion, offered a way out of the difficulty. They thought that the remedy for the state of affairs pointed out in the Statement of Objects and Reasons lay not so much in the multiplication of law courts as in the simplification of the procedure and a revision of the scale of fees in civil suits, and they believed that the object which Government had in view could be achieved by an amendment of the Presidency's Small Causes Court Act, extending the jurisdiction of that Court in money suits to Rs. 5,000 and enabling it to take cognizance of certain class of suits and other proceedings which were at present excluded from its purview. This they thought would facilitate the speedy disposal of a large number of petty suits at a relatively smaller cost to the parties who would otherwise be compelled to have recourse to the proposed Civil Court. (*Appendix* **26**.)

RULES FOR THE CERTIFICATION OF AUDITORS.

(*See pages* 64 *and* 307 *of the Association's Report for* 1928.)

In 1925, in reviewing the existing arrangements under Section 144 of the Indian Companies Act, in regard to the grant of certificates to auditors of public companies, the Government of India stated that they "were never intended to be more than temporary and transitional." Government considered that the position should be re-examined, and further stated :—

"The last 12 years have seen in India not only a large increase in the number of limited liability companies, but also an increase in their size and importance and in the range of their activities. These activities frequently extend beyond the limits of a single province, and there is now a tendency also for shares in industrial concerns to be more widely held. It is obvious, of course, that the main object should be that a high standard of professional qualification should be prescribed, and that the maintenance of that standard at a uniformly high level throughout India should be ensured. A further and equally important object to be kept in view is the maintenance among certified auditors of a high uniform standard of discipline and professional conduct."

As a first step towards this object, it was suggested that Government should constitute an Indian Accountancy Board. Government considered the suggestion, and consulted Provincial Governments and various organizations inetrested in the subject in 1928, and ultimately early in September,

draft rules incorporating Government's proposals regarding the grant of auditors' certificates and the establishment of an Indian Accountancy Board were published.

Under clause 47 in Part III of the draft rules, it was proposed to empower the Governor-General in Council to appoint an Accountancy Board. The Committee considered that as a first step towards the establishment of an autonomous association of accountants, it was desirable that the executive of such a body should be constituted on the electoral principle. It was realized that the adoption of this suggestion might be somewhat difficult till such time as some practical experience was gained in regard to the working of the Board, but there appeared to be no reason why it should be permanently withheld, as it appeared to be in the draft rules. What the Committee, therefore, suggested was that after the lapse of two or three years, a certain number of seats on the Board should be filled in by election, and the number of elected representatives should be increased gradually as the Board attained more experience of the administrative functions allotted to it.

Another point which was also urged for the consideration of Government was the desirability of the Board being fully representative of all sections of the profession. What the Committee had in view was that the proposed Board might be utilized in a consultative capacity by Government in addition to the various other functions allotted to it, in connection with various matters relating to economic questions generally, and in this event the utility of the Board could be greatly enhanced if there were on the Board accountants specialised in statistics, works' costing, etc. (*Appendix* **27.**)

RECOVERY OF MONEY IN SATISFACTION OF DECREES.

It was represented to the Association by Messrs. Pandia & Company, Solicitors, that the existing provisions under the Civil Procedure Code for the recovery of the amount of a decree from the assets of the judgment-debtor, were inadequate. The time that elapsed between the passing of judgment and the levying of execution was long enough to permit the debtor to remove all trace of his assets, or to deal with them so as to place them out of the reach of the creditor. It was, therefore, proposed that the following provisions should be made by the High Court to overcome these difficulties :—

1. When a decree is for the recovery or payment of money, the party entitled to enforce it, might at any time after the passing of the decree or order, apply to the Judge in Chambers *ex parte* for an order that the debtor (or in the case of a firm, any partner or officer thereof) should be orally examined as to whether any and what debts were owing to the debtor, and whether he had any and what other property or means of satisfying the decree or order, before a Judge, who might pass an order requiring the attendance and examination of such debtor or of any other person and for the production of any books or documents.

2. When making the order for examination under Rule 1, the Judge might pass an order, on the decree-holder giving an undertaking in damages,

directing the debtor not to attempt to part with any assets pending the examination, except in the ordinary course of business.

3. When a decree is for the recovery or payment of money, the party entitled to enforce it might, at any time after the passing of the decree or order, apply to the Judge in Chambers *ex parte* for an order that any person known or suspected to have in his possession any property belonging to the debtor or supposed to be indebted to the debtor or to be capable of giving information respecting the debtor, his dealings or property be orally examined as to the said matters or any of them, before a Judge or an officer of the Court, who might order the attendance and examination of such person and for the production of any books or documents.

4. If the debtor or other person ordered to be examined, after having been offered all reasonable facilities fails to appear or to answer any question, without any lawful reason shown, the Court might, by warrant, cause him to be apprehended and brought up for examination.

The Committee were satisfied that these rules would serve to help the early execution of money-decrees and prevent debtors from disposing of their property to the detriment of their creditors. They accordingly supported a petition which Messrs. Pandia & Company intended to present to the Chief Justice and Judges of the High Court with this end in view. (*Appendix* **28**.)

PROPOSED EXTENSION OF THE FRANCHISE.

In paras 106-108 of their Report, the Simon Commission proposed, *inter alia*, that " a new Franchise Committee or other suitable body under an impartial and experienced chairman should be set up with instructions to frame schemes which would enfranchise about 10 per cent. of the total population." The main principles on which franchise for men and women was to be based was also examined by a Sub-Committee of the Indian Round Table Conference under the chairmanship of Sir William Jowitt. They also held that " adult suffrage was the goal which should ultimately be attained," and agreed that " the basis of the franchise could forthwith be broadened and that a large increase was desirable." They also recommended that " an expert Franchise Commission should be appointed with instructions to provide for the immediate increase of the electorate so as to enfranchise not less than 10 per cent. of the total population and indeed a larger number—but not more than 25 per cent. of the total population—if that should, on a full investigation, be found practicable and desirable."

Early in May, the Government of Bombay invited the attention of the Committee to the above recommendations, and requested an expression of opinion thereon so that Government might be in a position to formulate their views as to the future franchise and to collect the necessary material for submission to the Franchise Committee when it arrived.

The Committee were in favour of an extension of the franchise, and they thought that the proposal to bring the number of voters up to 10 per

cent. of the total population went far enough in the existing circumstances of the country. With the spread of education and the acquisition of greater familiarity with representative institutions, it was recognized, further extensions would be necessary, but before that stage was reached, it would be very inadvisable to enfranchise all at once large masses of people unaccustomed to the use of a vote. The proposal to enlarge the electorate up to 10 per cent. of the population was fair, and constituted a sufficient advance upon existing conditions to make it acceptable generally.

As regards qualification, the Committee were of opinion that both property and educational qualifications should entitle a man or a woman to a vote. The qualification would differ widely with provinces, and in some cases with communities. While a uniform franchise for all elements of the population in a given area might be desirable, in the transitional stage it might not be found possible to lay down a uniform qualification without hurting the interests of minorities or of classes whose economic position or state of education was calculated to place them at a disadvantage in relation to other classes and communities.

The Committee recognized the enormous importance of a proper system of franchise to the working of representative institutions, and urged that before final decisions were taken, the fullest opportunity should be given to all sections of the public to review the findings of any Committee or Commission which might be set up to examine the problem. (*Appendix* **29**.)

THE INDIAN STORES DEPARTMENT.

The ever-growing commitments of the Government of India led them to accede to the suggestions made by the Legislatures to investigate the possibilities of effecting drastic retrenchment in all departments and services. A Central Advisory Retrenchment Committee was appointed, which, in its turn, appointed several smaller sub-committees to look into the working of individual departments.

One of these—the Stores Printing and Stationery Sub-Committee—dealing with the Indian Stores Department, invited the Association to express its views on the practical value that had attached to the operations of the Department, and as to whether it should be maintained more or less in its present form or whether it could be dispensed with or should be otherwise modified either in respect of its organization or the scope of its functions.

In the course of its representation to the Sub-Committee, the Association stated that the practical value of the operations of the Department had not been as great as it should have been owing to Government departments placing orders abroad or purchasing imported stores in large quantities. It was pointed out that State Railways did not make adequate use of the Department, and Company-managed lines apparently did not consult the Department even to the very limited extent that the State Railways did. The question of the centralisation of stores purchase for the whole of India under one department should, it was urged, be re-examined to see whether some means

could not be devised to increase the scope of activities of the Indian Stores Department, and thus make it subserve the larger end which the Industrial Commission had in mind. It was thought that the most obvious and direct form of assistance which the Government of India could give to the industries of the country was to purchase supplies required for the public service, so far as is possible, in the country itself. The maintenance, however, of separate stores establishments by the Army Department and by the Railways not only militated against the possibility of extending the activities of the Department, but was the cause, according to the experience of a large group of mills in Bombay, of frequent rejection of tenders for insufficient reasons.

After setting out in detail several objectionable practices followed by the Department in calling for tenders for textile supplies, the Committee stated that the purchase of stores by the High Commissioner in London should be co-ordinated with and subordinated to the Indian Stores Department. (*Appendix* **30**.)

FEDERATION OF INDIAN CHAMBERS OF COMMERCE

Proposed Establishment of an Indian Textile Section.

Towards the end of February, the Committee were informed that an attempt was being made by the Federation of Indian Chambers to organize an Indian Textile Section of its own. In explaining the necessity of such an organization, the Secretary of the Federation is understood to have stated in a circular letter addressed to a number of mills in India :—

" There are at present two important organizations representing the cotton industry, one at Bombay and the other at Ahmedabad. The Ahmedabad Millowners' Association, though affiliated to the Federation, is composed only of a minority of the total Indian mills and the Federation is, therefore, not in a position to speak authoritatively on behalf of the industry as a whole. The Bombay Millowners' Association, having in it divided interests representing both Indian and non-Indian, has so far refused to affiliate itself to the Federation, and so the Federation has no *locus standi* with reference to the interests of the Bombay mills. The Bombay Millowners' Association is open for membership to the mills situated outside Bombay ; yet on account of its peculiar situation and special interest, it is not possible for it to represent with justice those mills which are situated outside Bombay and whose interests in certain directions are not always identical with those of Bombay. Besides, both the bodies, namely the Ahmedabad and Bombay Associations, are more engrossed with local affairs than with questions of an all-India nature. This leads one to feel the desirability of organizing an institution representing the industry as a whole, and it has been suggested that it could best be done by having a textile section of the Federation itself."

It appears that there was a very poor response to this move, replies in many cases being that the interests of the textile industry were being very effectively looked after by the Millowners' Association, Bombay, and other associations, and that there was, therefore, no necessity for the Federation of Indian Chambers of Commerce for setting up a Textile Section of its own.

CONGRESS AND JAPANESE COMPETITION WITH INDIAN MILLS.

Early in June, the Chairman and certain other millowners of Bombay had informal discussions with Mahatma Gandhi on several matters concerning the industry. In the course of the discussions, the Chairman referred to the competition from Lancashire and Japan, and stated that the most serious competitor of the Indian textile industry was Japan rather than Great Britain, and placed before Mahatmaji certain interesting details in this connection. Special attention was also drawn to the tremendous increase in the importation of art silk piecegoods from Japan, and it was pointed out that, as about 80 per cent. of the imported art silk yarn was consumed by handlooms, that industry was being even more hard hit than the mill industry. Another point which was emphasized by the Chairman was that practically most lines of Japanese goods were of coarse or medium counts, and that the great bulk of them could be manufactured by Indian mills from Indian cotton. This was not the case with the bulk of the piecegoods imported from Great Britain. Strenuous attempts were being made by Indian mills to manufacture cloths to replace those imported from Japan, but to compete in price, Indian mills had to manufacture these lines at a distinct loss, and this they could not be expected to do unless they felt assured that their efforts would ultimately bear fruit through the public conscience being aroused with regard to the menace of Japanese competition and its disastrous effects on Indian interests. All that was desired to be pointed out was that the classes of goods which Japan was importing and the price at which they were sold, constituted just as serious a menace to the Indian industry as they had proved to Lancashire trade.

In referring to the above discussions in *Young India*, Mahatma Gandhi stated, on 18th June :—

"From the economic standpoint—and that is the only standpoint for the millions—boycott of Japanese cloth is much the most important....."

and further added :—

"If, therefore, there is any laxity on the part of the boycott workers, they will remember that emphasis on the boycott of British cloth would be of no avail whatsoever from the economic viewpoint."

Further explaining his position, Mahatmaji stated in the *Young India* of July 30th :—

1. "If I had my way, India would be clothed in *khadi* to the exclusion of all other cloth even made in indigenous mills.

2. Whilst India is unwilling (there is no question of inability) to manufacture all the *khadi* she needs, I should allow indigenous mill-cloth to supplement it.

3. There is picketing of foreign cloth because foreign cloth competes with both *khadi* and Indian mill-cloth. It is irrelevant, whether the competition is fair or unfair in the sense whether the cloth manufactured in the respective countries is fairly produced and brought here or not.

4. If there was no competition, and if it became clear that some foreign cloth had to come to India, and if England was in partnership with India freed, I would give preference to England over all other countries. But my belief is, that when India becomes free, she will manufacture within a short time enough *khadi* for her wants, supplementing it during the transition with indigenous mill-cloth."

DEFECTS IN INDIAN MILL-MADE YARN.

Towards the middle of December 1930, the Government of India addressed the Association on the subject of certain defects reported to exist in the cotton yarn produced by Indian mills. It had been represented to the Government of India that the yarn supplied by the majority of the spinning mills in India was badly reeled, contained a large number of loose threads, was not of the reputed count, and did not possess the necessary tensile strength for use as " warp." In view of the necessity of placing the handloom industry on a commercial basis, it had been suggested to Government that steps should be taken to lay down by means of legislation that :—

(1) a bundle of yarn should be made up of a standard weight of 10 lbs.;

(2) each bundle should contain as many knots as the number of its counts;

(3) each knot should contain 10 hanks, each hank containing 840 yards; and

(4) the tensile strength and correct count of yarn should be indicated on each bundle.

The question of undertaking legislation, with a view to give effect to the suggestions mentioned above, had been considered by the Government of India, but they did not propose to take any action in this direction for the time being. They, however, invited the attention of the Association to the recommendation made in paragraph 83 of the Report of the Tariff Board in which the defects in the quality of yarn manufactured by Indian mills, short reeling and improper marking were pointed out and stated that they had no information as to what action, if any, had been taken by millowners on the observations made by the Tariff Board, but they had no doubt that the removal of the defects in question would be in the interest of the Indian mill industry itself. They accordingly suggested that the Association might bring these defects to the notice of its members in order that such steps to remedy them as they consider necessary might be taken.

In acknowledging receipt of this communication, the Committee pointed out that while they were at one with the Government of India in their desire to see the causes of the complaints referred to in Government's letter removed, they would like to point out that the remarks of the Tariff Board to which reference had been made by Government referred in the main to yarn and cloth produced in centres other than Bombay, and submitted that, as far as yarn and cloth manufactured by members of the Association were concerned, complaints of the type referred to were extremely rare. In regard to the

suggestion made to invest Government with powers to control marking, etc., of Indian mill-made yarn and cloth, the Committee stated that they were prepared to give favourable consideration to any reasonable and practical proposals which might, in future, be formulated by the Government of India or any other body or persons or the Association connected with the trade in either piecegoods or yarn, for the protection of the consumers' rights.

The gist of Government's communication was circulated to all members of the Association, and their special attention was drawn to the importance of taking such action as might appear necessary to the mills concerned to remedy the evils referred to in the letter. (*Appendix* **31**.)

WADI BUNDER–SHALIMAR GOODS EXPRESS.

To compete with the sea route and divert a greater share of Bombay-Calcutta goods traffic by the rail route, the G. I. P. Railway, in conjunction with the Bengal Nagpur Railway, introduced a bi-weekly Express Service between Wadi Bunder and Shalimar. The service provides transit of goods from Bombay to Calcutta and *vice versa* in 6 or 7 days' time, whereas the sea route takes more than 14 days. Consignments are accepted both in full wagon loads or in less than wagon loads, being made up in the latter case to through full loads. The service is not limited to traffic booked only to and from Calcutta or Bombay; it also conveys traffic for and from stations on connected railways beyond the B. N. and G. I. P. Railways. The charges for the journey by the Express Goods Service are the same as for ordinary goods trains.

With a view to ascertain the exact extent to which the Express Goods Service was being utilized by Bombay piecegoods merchants, special statistics were collected showing the quantities despatched by the sea and the rail routes. The figures show that the acceleration of the traffic by itself is not sufficient to create a preference for the rail route, and what is wanted is a further reduction of railway freight rates.

Figures of despatches of piecegoods—Bombay to Calcutta—by rail and sea.

	By Rail.	By Sea.
	Mds.	Mds.
1929–30..	296,914	271,693
1930–31..	404,710	290,533
*1931–32 (first six months)	216,463	216,845

The figures, however, show on further analysis that Bombay mills are taking increasing interest in the Calcutta market, for, the total bookings

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* The Express Service was introduced on 25th March 1931.

by rail and sea during the first nine months of the year 1931-32 were considerably in excess of the figures recorded during the same periods in 1929-30 and 1930-31.

RAILWAY FREIGHT ON COAL.

Towards the end of November, it was learnt that the Railway Board were contemplating the imposition of a surcharge of 15 per cent. on existing coal freights. The Committee considered that the proposal was bound to react very unfavourably on the struggling Indian coal industry and seriously imperil its further development, and also nullify to a great extent the good work done by the Coal Grading Board in making a better quality of Indian coal available in larger quantities than heretofore to Indian users.

A representation was, therefore, addressed to the Railway Board pointing out that long-distance rail freights were already out of all proportion to the pit's-mouth price of coal, and that any further increase in the rate would be entirely unjustified. At a time when the Government of the country was pledged to support Indian industries, it was surprising to note that the Railway Board contemplated taking a step which would have the effect of curtailing in a great measure the ability of the Indian coal industry to compete with imported coal.

Towards the middle of December, the Railway Board announced the imposition of a 15 per cent. surcharge, with effect from 15th January 1932, on freight rates of coal, coke and patent fuel. It was stated that this surcharge would not apply to (1) soft coke; (2) coal and coke consigned to Howrah and Calcutta and (*a*) exported thence by sea, (*b*) loaded for bunkering in sea-going vessels within the limits of the port of Calcutta. In the case of (2) it was stated that a surcharge would be collected in the first instance, and a refund granted subsequently. Explaining the circumstances which led to the imposition of this surcharge, the Railway Board stated in a special Press *communique* :—

"In view of the existing financial circumstances of the Indian Railways, the Railway Board have found it necessary to explore all avenues whether for reducing expenditure or increasing revenue. Possibilities in the latter direction are somewhat limited at a time when the purchasing power of all classes is severely restricted, but there are a few commodities which might possibly stand a higher rate and one of these is coal.

The existing freights on coal were reduced both in 1926 and 1929 and are now very low, when compared with those applicable to any other commodities. Before coming to a decision on the question of enhancing the freight rates on coal the Railway Board advised the Indian Mining Federation and the Indian Mining Association that they had under consideration a proposal to impose a surcharge of 15 per cent. on the present freight charges and invited them to discuss this proposal with the Board.

This discussion was held on 23rd November 1931. The Railway Board have received from various chambers of commerce and other commercial organizations representations, referring to the adverse effect which the enhanced freight rates on coal would have on the various interests. Those representations as also the view advanced by the Indian Mining Federation at the discussion which the Railway Board had with them have been given the fullest consideration, but the Board are unable to modify their view that under the present conditions a 15 per cent. surcharge should be imposed." (*Appendix* **32.**)

GOVERNMENT DEMONSTRATION WEAVING FACTORY, PUNJAB.

Towards the end of June, the Weaving Superintendent of the Government Demonstration Weaving Factory, Shahdara, Punjab, enquired of the Committee whether it would be possible for the Association to arrange with some of the member mills to admit one or more of such of the students of the Factory as might be desirous of going in for further detailed practice, either on payment or even without any wages. It was pointed out in reply that the Committee were prepared to recommend members to accommodate, as an experimental measure, approved students from the Government Demonstration Factory, in their mills, as and when opportunities for such employment occurred. (*Appendix* **33**.)

PRICES OF COMPETITIVE LINES OF IMPORTED PIECEGOODS.

(*See pages* 37 *and* 213 *of Report for* 1930.)

On page 37 of the Association's last Report, it was stated that Government were contemplating the maintenance of a continuous price record of some of the most important lines of piecegoods imported into this country.

It appears that the compilation of this record was started in January 1930, but owing to the disturbed state of the market on account of periodical closures and *hartals*, a complete and reliable record for the year was not available. However, with the resumption of normal trading in April this year, the compilation of the price record was again taken up by Government, and since then there has been no break in the prices.

The prices mentioned in the record are all wholesale selling prices in the market.

TEXTILE DIRECTORY: WHERE TO BUY INDIAN PIECEGOODS AND YARN.

It appeared from the numerous requests for information received by the Association early in the year that dealers and merchants were not in all cases aware of the very wide range of piecegoods and yarn manufactured by Indian mills. An exhaustive publication containing full particulars regarding the production of member mills, names and addresses of their selling agents, retail shops, etc., was therefore compiled by the Association and widely distributed to all chambers of commerce, associations and other organizations connected with the piecegoods trade.

Copies of the first edition were completely exhausted within a fortnight of publication. Suggestions were received pointing out the desirability of incorporating further particulars, especially regarding well-known marks and "chhaps" used by members. Accordingly, a revised and enlarged edition of the book was issued early in September. This also was rapidly taken up by merchants and associations connected with the yarn and piecegoods trade.

SHOW-ROOM AT VICTORIA TERMINUS.

At the last Annual General Meeting of the Association, in referring to the Association's show-room at Victoria Terminus, the Chairman stated :—

"The show-room at Victoria Terminus constitutes another direction in which we have been advertising our wares. It was often brought to our notice that with the selling system which prevails in Bombay, the man in the street had no opportunity of knowing the character and variety of the goods turned out by various mills, and that the smoke of the chimneys and the whirr of the machinery conveyed nothing more than that a great industry had established itself in our midst. No longer can that reproach be flung in our face, for within easy reach of the thousands who wend their way to their daily avocations, we have set up a show-room which is one of the attractions of a great and imposing terminus."

The exhibition continued to evoke great popular interest during 1931, and it is interesting to note that the enterprising firm of Messrs. Currimbhoy Ebrahim and Sons, Ltd., have followed the example set by the Association, and opened a particularly fine show-room at Bombay Central Station and a smaller but very effective one at Churchgate Station.

LABELS FOR USE ON YARN.

On page 39 of the last issue of the Association's Annual Report, reference was made to a special warranty label designed and issued by the Association to its members for use on cloth. In view of the popularity of these labels, it was suggested to the Committee early in June that a somewhat similar but distinctive label should be designed for use on yarn also. Accordingly, a special label was issued subsequently, and since then, some millions of them have found their way into circulation. The use of the yarn label, like that of the cloth label, is strictly limited to the use of member mills, and all steps necessary to protect it against fraudulent imitation will be taken.

DONATIONS.

At the Annual General Meeting of the Association held on 19th March 1931, the following donations were sanctioned and paid out of the Association's funds for the current year :—

	Rs.
The Victoria Jubilee Technical Institute	1,500
The Police Comforts Fund	1,000
The Sir J. J. Hospital Nursing Association Fund ..	750
The Textile Technical School	500
The Sydenham College of Commerce and Economics ..	500
The Bombay Textile and Engineering Association ..	400
The Goculdas Tejpal Nursing Association Fund ..	250
The Maharashtra High School	150

BENGAL AND KONKAN FLOOD RELIEF.

During the year under review, the Association received a large number of urgent appeals for help in connection with the ravages caused by floods in the Konkan and Bengal; and as a result of the special efforts made by the Committee, the following donations were collected from members, and handed over to the relief organizations concerned :—

1.	Pulgaon Cotton Spg., Wvg. and Mfg. Co., Ltd.	2 bales of fent cloth.
2.	Svadeshi Mills Co., Ltd.	Cloth worth Rs. 250.
3.	Burhanpur-Tapti Mills, Ltd.	1 bale of dhoties.
4.	Standard Mills Co., Ltd.	Rs. 200.
5.	Empress Mills, Nagpur	Cloth worth Rs. 300.
6.	Ahmedabad Advance Mills, Ltd.	Cloth worth Rs. 200.
7.	Mahaboob Shahi Kulbarga Mills Co., Ltd.	Rs. 100.
8.	Phœnix Mills, Ltd.	2 bales of cloth.
9.	Khatau Makanji Spg. and Wvg. Co., Ltd.—through their Calcutta Agents	Rs. 200.
10.	Bombay Dyeing and Manufacturing Co., Ltd.	Cloth worth Rs. 100.
11.	Moon Mills, Ltd.	2 bales of cloth.
12.	Sassoon Spinning and Weaving Co., Ltd.	1 bale of cloth.
13.	Union Mills	1 bale of cloth.
14.	Indian Manufacturing Co., Ltd.	1 bale of cloth.
15.	Kohinoor Mills Co., Ltd.	Rs. 150.
16.	Sholapur Spinning and Weaving Co., Ltd.	Rs. 500.
17.	Madras United Spinning and Weaving Co., Ltd.	5 bales of cloth.

In addition to the above, substantial contributions in cash or kind were paid by certain members direct or through their up-country agents.

TARIFF VALUATIONS UNDER THE INDIAN TARIFF ACT.

For purposes of record, the Indian Customs Tariff, Schedules II and III, appended to the Indian Tariff Act, VIII of 1894 (as in operation on 1st January 1932), showing the rates of customs duties levied on goods imported into and exported from British India, together with tariff values assigned to certain articles for the purpose of assessment of customs duties during the 12 months January to December 1932, are reproduced in full in *Appendix* **34**.

STOCKS OF YARN AND CLOTH HELD BY BOMBAY MILLS IN 1931.

The figures in the following table constitute a very close approximation of the stocks of yarn and cloth held by mills of Bombay City and Island from month to month during 1931. The year opened with a stock of 23,000 bales of yarn and 146,000 bales of cloth. At the end of the year mills held in stock 13,000 bales of yarn and 132,000 bales of cloth.

The average monthly stocks of yarn and cloth during the year were 21,000 bales of yarn and 146,000 bales of cloth against 28,000 bales of yarn and 167,000 bales of cloth in 1930.

Date of Return.	Stocks of Cloth in Bales of 360 lbs.			Stocks of Yarn in Bales of 400 lbs.		
	Stocks held by Bombay Mills to nearest 1,000 bales.					
	Sold but delivery not taken.	Unsold.	Total uncleared.	Sold but delivery not taken.	Unsold.	Total uncleared.
1931.						
31st January	46,000	100,000	146,000	11,000	12,000	23,000
28th February	30,000	84,000	114,000	7,000	10,000	17,000
31st March	39,000	84,000	123,000	10,000	12,000	22,000
30th April	44,000	82,000	126,000	12,000	11,000	23,000
31st May	55,000	84,000	139,000	15,000	14,000	29,000
30th June	64,000	93,000	157,000	15,000	13,000	28,000
31st July	75,000	96,000	171,000	14,000	11,000	25,000
31st August	90,000	102,000	192,000	11,000	12,000	23,000
30th September ..	63,000	101,000	164,000	6,000	11,000	17,000
31st October	64,000	92,000	156,000	7,000	6,000	13,000
30th November	63,000	72,000	135,000	7,000	6,000	13,000
31st December	59,000	73,000	132,000	7,000	6,000	13,000

RAW COTTON STOCKS HELD BY BOMBAY MILLS ON 31ST AUGUST 1931.

In accordance with the usual practice, particulars of stocks of raw cotton held by Bombay cotton mills were collected, and the following summarised statement was subsequently issued :—

Cotton actually on hand in Mill Godowns.		Ready cotton bought but not taken delivery of.		Total.	
Actual Number of bales.	Actual weight of bales (in candies of 784 lbs.)	Actual Number of bales.	Actual weight of bales (in candies of 784 lbs.)	Actual Number of bales.	Actual weight of bales (in candies of 784 lbs.)
164,209	90,416	15,432	8,448	179,641	98,864

MILL HOLIDAYS AND PAY-DAYS FOR 1932.

The following mill holidays, which are in accordance with the provisions of the Indian Factories Act, have been fixed by the Committee of the Millowners' Association, Bombay, for adoption by the Bombay members of the Association, during the year 1932.

If for any special reasons, it is found necessary to close the mills on days other than those mentioned below, the Chief Inspector of Factories, Old Customs House, Bombay, should be informed in accordance with Section 22 of the Indian Factories Act.

Month.	Date of Holiday.	Day of Week.	Festival.	Monthly Pay-day.	Day of Week.
January	1st	Friday	*New Year Day*	9th	Saturday.
	10th	SUNDAY.			
	14th	Thursday	*Makar Sankrant*		
	24th	SUNDAY.			
	31st	Do.			
February	7th	SUNDAY.	....	13th	Saturday.
	14th	Do.			
	21st	Do.			
	28th	Do.			
March	5th	Saturday	*Maha Shivratri*	12th	Saturday.
	13th	SUNDAY.			
	22nd	Tuesday	*Holi*		
	23rd	Wednesday			
	24th	Thursday			
April	3rd	SUNDAY.		9th	Saturday.
	6th	Wednesday	*Gudi Padwa*		
	10th	SUNDAY.			
	15th	Friday	*Ram Navmi*		
	24th	SUNDAY.			
May	1st	SUNDAY.	....	14th	Saturday.
	8th	Do.			
	15th	Do.			
	22nd	Do.			
	29th	Do.			
June	5th	SUNDAY.	....	11th	Saturday.
	12th	Do.			
	19th	Do.			
	26th	Do.			
July	3rd	SUNDAY.		13th	Wednesday
	10th	Do.			
	14th	Thursday	*Ashadi Ekadashi*		
	24th	SUNDAY.			
	31st	Do.			
August	7th	SUNDAY	*Nag Panchami*	14th	Sunday.
	15th	Monday	*Narli Purnima*		
	24th	Wednesday	*Gokul Ashtami*		
	28th	SUNDAY.			
September	4th	SUNDAY	*Ganesh Chaturthi*	12th	Monday.
	8th	Thursday	*Gowri Visarjan*		
	13th	Tuesday	*Anant Chaturdashi*		
	18th	SUNDAY.			
	25th	Do.			
	29th	Thursday	*Sarva Pitra Amvasia.*		
October	9th	SUNDAY	*Dasara*	8th	Saturday.
	16th	Do.			
	23rd	Do.			
	29th	Saturday	*Dewali*		
	30th	SUNDAY			
	31st	Monday			
November	6th	SUNDAY.	....		Saturday.
	13th	Do.			
	20th	Do.			
	27th	Do.			
December	4th	SUNDAY.	....	10th	Saturday.
	11th	Do.			
	18th	Do.			
	25th	Do.			

Any members desiring to make a change in the list of holidays or pay-days as enumerated in the above list should intimate the Association of their intention to do so at least ten days prior to the holiday or pay-day concerned. Modifications may be necessary to allow of holidays being given at half-yearly stock-taking.

RESULTS OF THE WORKING OF THE COTTON MILLS OF BOMBAY IN 1930.

In accordance with the usual practice, an annual statement showing the results of the working of the cotton mills in Bombay was prepared by the Association and audited by Messrs. A. F. Ferguson & Co. Seventy-one out of the 83 mills in Bombay submitted returns. The statement showed a total loss of Rs. 2,36,98,662 for the year 1930 after providing depreciation on machinery and buildings, in spite of the fact that during the year managing agents gave up commission to the extent of Rs. 4,76,812.

Copies of the statement were sent to all members of the Association for their confidential information.

KEITH ROBINSON VISUAL EDUCATION SERVICE.

(*See pages* 66 *and* 377 *of Report for* 1930.)

On page 66 of the Association's Report for 1930, reference was made to a scheme of visual education specially designed by Mr. Keith Robinson for cotton mill operatives. The service was introduced early in February and lasted for a period of six months. Twenty-six subjects relating to faults common among operatives and which usually result in decreased efficiency, waste and loss in wages, were dealt with by means of suitable posters, with appropriate titles and captions. The operatives' interest in the scheme was sought to be stimulated by the promise of rewards for suggestions which would result in the elimination or diminution of any of these faults. In spite of all efforts, however, the workpeople's interest in the service gradually disappeared, and this was one of the main reasons for a number of mills indicating their unwillingness to continue the service beyond the experimental period of six months. A report was submitted by Mr. Robinson on the termination of the service, but as certain recommendations made by him were already under consideration of the Committee, being either directly or indirectly connected with the suggestions made by the Whitley Commission, no special action was taken thereon.

THE "GIRNI SAMACHAR."

The prolonged strikes that affected the Bombay cotton mill industry in 1929 and 1930 forcibly brought home the need for the establishment and maintenance of closer contact between the management and the men. An experiment initiated last year by Messrs. E. D. Sassoon & Co., Ltd., in running a monthly magazine entitled the *Sassoon Kamgar*, written and edited solely with a view to provide interesting reading matter for the work people employed in their group of mills afforded, in the opinion of the Committee, a very fair means of approach to labour. It was, therefore, suggested by the Chairman of the Association that the Association should bring out a magazine run on similar lines and dealing with subjects of general, religious, historical and local interest interspersed with short stories, cartoons and photographs,

for distribution among the operatives of all member mills in Bombay. Such a publication, it was pointed out, would serve to amuse and instruct workpeople in their leisure hours and make them feel that anything that affected their interests and welfare was of equal concern to their employers.

Much preliminary spade-work had to be done in making arrangements for editing the paper suitably, printing and distributing it, and all proposals in connection therewith had the close personal attention of the Chairman of the Association. The suggestion was accepted by the Committee and the first number of the magazine was published in June and subsequent issues appear usually, just before pay-day each month.

The principal features are articles describing the exact purport and intention of religious festivals during the month, a short story, chats on health, accident prevention, care of children, short sketches with photographs of men with long service in different mills, descriptive notes of various developments in textile machinery and methods, humorous cartoons and amusing tit-bits.

The *Girni Samachar* evoked great interest among the mill operatives in Bombay. Mill managers often contributed articles to the magazine on matters that directly concerned workpeople, while the Chief Inspector of Factories and the Lady Inspector of Factories consistently helped to popularise the paper with instructive articles written in simple language on various aspects of accident prevention and child welfare. The authorities in charge of the Naigaum Social Service Centre also interested themselves in the magazine, and did much to make it a success.

The cost of publishing the magazine was met by the mills subscribing to it. The rate of subscription was fixed at 9 pies per copy, but it was sold by the mills to their workpeople at 3 pies per copy, the difference in price being borne by the mills and all other incidental charges in connection with the editing and publication of the magazine being defrayed by the Association.

The response from up-country members was not satisfactory, mainly due to the fact that as the magazine was published in Marathi, it could not be easily read and understood by people in districts where Marathi was not spoken.

BOMBAY MILLOWNERS' ASSOCIATION.

Balance-sheet as at 31st December 1931.

LIABILITIES.	Rs.	a.	p.	Rs.	a.	p.	ASSETS.	Rs.	a.	p.	Rs.	a.	p.
For Imperial Bank of India (Overdraft)	35,548	3	2				Interest accrued on Association's Investment of General Fund up to 31st December 1931, but not received	3,841	13	3			
For Auditors' fees, Advertisement, Printing, Stationery, Electric Lights and Fans, Rent for Show-room at Victoria Terminus, Association's labels, etc., unpaid	2,514	0	6				Outstandings due	714	7	0			
				38,062	3	8					4,556	4	3
Amount appropriated for future propaganda and action for the promotion of the piecegoods and yarn trade of Member mills.				17,268	6	6	Advance payments made on account of Books and Periodicals, Telephones, Salary of Clerk at Calcutta, and other sundry items.				654	8	6
Amount received in advance from Member Exhibitors towards the expenses for the Show-room at Victoria Terminus ..				6,090	2	0	Advances to staff				1,540	0	0
							Expenses in connection with Municipal Assessment of mills in Bombay				6,539	10	10
ASSOCIATION'S GENERAL FUND—							ASSOCIATION'S INVESTMENTS—						
Balance as on 31st December 1930	1,69,804	5	8				Government 3½ per cent. Promissory Notes of 1865, 1854/55 and 1900/01 for Rs. 92,000 at cost	67,670	10	0			
Add—Excess of Income over Expenditure	8,756	2	0				Government 4½ per cent. Bonds 1934 for Rs. 33,100 at cost ..	32,272	8	0			
							Government 5 per cent. Indian War Loan, War Bonds, 1929/47 for Rs. 25,000 at cost	24,156	4	0			
				1,78,560	7	8	Government 6 per cent. Indian War Loan, War Bonds 1932 for Rs. 5,500 at cost	5,500	0	0			
							Government 6 per cent. Bonds 1933/36 for Rs. 15,000 at cost ..	15,000	0	0			
							Government 3½ per cent. Indian Sterling Stock (Bearer Bonds) 1931 for £8,500 at cost	79,748	9	6			
											2,24,347	15	6
							CASH—						
							Cash in the Imperial Bank of India, Secretary's Account ..	1,490	0	0			
							Cash in hand	852	12	9			
											2,342	12	9
Total Rs. ..	..	..	..	2,39,981	3	10	Total Rs. ..	..	..	..	2,39,981	3	10

Examined and found correct.

A. F. FERGUSON & Co.,
Chartered Accountants,
AUDITORS.

T. MALONEY,
Secretary.

BOMBAY, *22nd January* 1932.

BOMBAY MILLOWNERS' ASSOCIATION.

Income and Expenditure Account for the year ended 31st December 1931.

EXPENDITURE.	Rs.	a.	p.	Rs.	a.	p.	INCOME.	Rs.	a.	p.	Rs.	a.	p.
To Establishment	83,553	9	5				By Subscriptions for the year ended 31st December 1931	1,15,286	0	0			
Conveyance Allowance to Secretary	1,200	0	0				,, Miscellaneous Receipts	2,739	2	9			
Preparation of Monthly Import and Export Statistics for 1931	2,544	0	0				,, Interest on Investments of General Fund	11,765	12	6			
Preparation of Statistics for the Bombay Cotton Mill Industry for 1930	618	8	0								1,29,790	15	3
Office Rent	2,925	0	0										
Printing Statistical Returns, Mill Statement for 1930 and 1931, and Annual Report for 1930, etc.	8,719	7	0										
Stationery	2,548	14	4										
Advertisements	155	8	0										
Books and Periodicals	1,060	3	5										
Auditors' Fees	200	0	0										
Telephones	800	0	0										
Electric Lights and Fans	414	5	6										
Law Charges	285	0	0										
Furniture and Fixtures	922	2	6										
Petty Charges, Sundry Expenses including Postage and Telegrams	2,981	13	10										
Association's Contribution to Provident Fund	3,620	13	4										
Association's Address to H. E. the Viceroy (Lord Irwin)	385	0	0										
Membership Subscription to the International Federation of Master Cotton Spinners' and Manufacturers' Associations for 1931	3,050	7	11										
	1,15,984	13	3										
ASSOCIATION'S CONTRIBUTION FOR THE YEAR TO—													
	Rs.	a.	p.										
The Victoria Jubilee Technical Institute	1,500	0	0										
The Sydenham College of Commerce and Economics	500	0	0										
The Police Comforts Fund	1,000	0	0										
The Sir J. J. Hospital Nursing Association Fund	750	0	0										
The Bombay Textile and Engineering Assn.	400	0	0										
The Goculdas Tejpal Hospital Nursing Association Fund	250	0	0										
The Textile Technical School	500	0	0										
The Maharashtra High School	150	0	0										
	5,050	0	0										
				1,21,034	13	3							
Balance being excess of Income over Expenditure transferred to Association's Balance-sheet				8,756	2	0							
Total Rs.	....			1,29,790	15	3	Total Rs.	....			1,29,790	15	3

Examined and found correct.

A. F. FERGUSON & Co.,
Chartered Accountants,
AUDITORS.

BOMBAY, *22nd January* 1932.

T. MALONEY,
Secretary.

BOMBAY MILLOWNERS' ASSOCIATION PROVIDENT FUND.

Statement of Funds as at 31st December 1931.

RECEIPTS.	Rs. a. p.	Rs. a. p.	EXPENDITURE.	Rs. a. p.	Rs. as. p.
By Amount of Funds as at 1st January 1931		52,588 3 10	To Expenses during the year	....	8 1 0
,, Subscriptions Paid :—			,, INVESTMENTS—		
By the Members of the Bombay Millowners' Association	3,620 13 4		Government 3½ per cent. Promissory Notes 1842/43, 1854/55, 1865, 1900/01 for Rs. 26,200 at cost ..	17,496 8 0	
By the Members of the Bombay Millowners' Mutual Insurance Association, Limited ..	1,146 4 0		Government 4 per cent. Promissory Notes 1960/70 for Rs. 5,000 at cost	4,406 4 0	
		4,767 1 4	Government 5 per cent. Tax Free War Bonds 1933 for Rs. 5,000 at cost	4,892 8 0	
By the Bombay Millowners' Association	3,620 13 4		Government 5 per cent. Tax Payable Bonds 1929/47, 1939/44 and 1935 for Rs. 20,000 at cost	19,899 4 3	
By the Bombay Millowners' Mutual Insurance Association, Limited	1,146 4 0		Government 6 per cent. Bonds 1933/36 for Rs. 11,000 at cost	11,006 4 0	
		4,767 1 4	(Depreciation on these securities has been partly covered by the Reserve as *per contra*.)	57,700 12 3	
,, Interest, (including interest accrued to date (Rs. 1,098-1-4))	....	2,803 3 8	,, Interest accrued and due on the above Securities ..	1,098 1 4	
		64,925 10 2			
,, Subscription received in advance towards next year.	....	150 0 0	,, Cash with Imperial Bank of India in Current Account.	6,317 12 10	
		65,075 10 2			65,116 10 5
Add: Reserve against Depreciation of Government Securities (created from excess interest received)	....	49 1 3			
TOTAL Rs. ..	....	65,124 11 5	TOTAL Rs. ..	....	65,124 11 5

Examined and found correct.

A. F. FERGUSON & Co.,
Chartered Accountants,
AUDITORS.

BOMBAY, *22nd January* 1932.

T. MALONEY
Secretary.

Report for the year 1931.

Section III.

CORRESPONDENCE.

APPENDICES 1—34.

APPENDIX I.

CONTINUOUS REPRESENTATION IN THE ASSEMBLY.

Letter No. 922/140, dated the 30th April 1931, from the Association to the Secretary to the Government of India, Legislative Department, Simla.

I am directed by the Committee of the Association to refer to the correspondence herein ending with your letter No. D-2999-C & G, dated the 6th August 1930. As the question under discussion will come up for an early decision, I am directed to set out for your consideration once again the reasons which make it necessary that the Association should be continuously represented on the Legislative Assembly :—

(1) The Association is an All-India body, and has members in all parts of the country;

(2) The Association represents mills containing 42,00,000 spindles and 88,000 looms, with a paid-up capital of approximately Rs. 20 crores, employing nearly 2,00,000 workers;

(3) The Association has been in existence for a period of 55 years during which it has rendered enormous service to the industry. During this period, the members of the Association have served on a very large number of committees and commissions, and made their contribution to many important problems affecting the commercial and industrial welfare of the country;

(4) The views of the Association on large questions of policy are not always identical with those of the Ahmedabad Millowners' Association. The present system of alternate representation of the two associations does not, for this reason, provide for an authoritative representation of the views of the industry on the many important questions affecting its interests;

(5) Industrial legislation is occupying an increasingly important place in the activities of the Central Legislature and the presence of a representative of this Association in the Legislative Assembly is a matter of absolute necessity, particularly as labour interests are likely to be given greater numerical representation.

The importance of the Association is so generally recognised that it need not be emphasised in this letter. Lord Reading, on the eve of his departure from India, spoke of the great assistance rendered by the members of the Association to the administration when serving on the Central and Provincial Legislatures, and Lord Irwin in December 1927 expressed his appreciation in the following terms :—

"Your Association is valuable not only to yourselves; it is also a great asset to the Government of India. There is hardly a single important question connected with industries, factory legislation or labour during the past 50 years in which the Government has not been assisted by the considered views of the millowners of Bombay. Your members have played and are playing a conspicuous part in Imperial, Provincial and Municipal administration."

My Committee trust that the Government of India will see their way to support the claim of the Association for continuous representation, in any proposals or observations Government may have to make with regard to the composition of the Central Legislature. In this connection, it has been a matter of considerable disappointment to my Committee that, in paragraph 142 of their Despatch on the proposals for constitutional reform, the Government of India should have failed to make specific provision for such representation of the Association in the Legislative Assembly of the future. It is true that what the Government were doing was merely to present an "illustrative statement"; but my Committee think that this statement should have taken into account the claim which the Association has been

pressing on the attention of Government for a number of years, and which Government had promised to consider at the proper time. As the question will have to be decided in the next few months, it is to be hoped, the considerations set forth in this letter will be given full weight.

Letter No. D. 1212/31-R, dated 13th May 1931, from the Government of India, Reforms Office, to the Association.

Subject:—REQUEST OF THE MILLOWNERS' ASSOCIATION FOR CONTINUOUS REPRESENTATION IN THE CENTRAL LEGISLATURE.

I am directed to acknowledge the receipt of your letter No. 922/140, dated the 30th April 1931, addressed to the Legislative Department, on the subject mentioned above.

APPENDIX 2.

STANDING ORDERS FOR MILL OPERATIVES.

Circular letter No. 252/35, dated 31st January 1931, to all members of the Association whose mills are situated in the City and Island of Bombay.

Subject:— STANDING ORDERS FOR OPERATIVES.

The Committee of the Association have for many years recognised that it would be desirable that all mills in Bombay City and Island should have uniform rules regarding conditions of employment. This subject was brought to a head during the early days of the general strike of 1928, when the Joint Strike Committee included as one of their demands "that all rules that are posted in the mills or departments should be standardised by the Millowners' Association so that they shall be uniform in all the mills and that none of these rules or regulations should be such as to deprive the workers of their rights conferred on them by the existing law."... On 16th May 1928, the Association in a public statement said that a new set of rules was being framed and would be put up at all mills in due course. For the purpose of framing these standard rules, copies of the rules obtaining in individual mills were analysed in detail by a special sub-committee of the Association. The sub-committee's labours resulted in a uniform set of rules, and these were considered, rule by rule and line by line, by the Fawcett Committee with the result that the Fawcett Committee in their report framed a complete set of rules, which they considered were fair and reasonable, and might be introduced. Subsequent to the publication of the Fawcett Committee's report, the Committee of the Association passed a resolution in which they indicated their willingness to adopt the Standing Orders as framed by the Fawcett Committee. No immediate action was, however, taken as regards the introduction of the Standing Orders, as, at that time, negotiations were going on with representatives of labour, and it was anticipated that labour's co-operation would be available in the matter of the introduction of all the major recommendations of the Fawcett Committee. As members are aware, these anticipations did not fructify chiefly owing to labour's opposition to the introduction of the Standardisation Scheme of Wages. Unfortunately, the general strike of 1929 made the position still more difficult, but at no time was there any serious opposition regarding the advisability of introducing uniform Standing Orders. The opposition to the introduction of the Standardisation Scheme of Wages continues, however, to be strenuous, and as notified in my letter No. 55/22, dated the 9th January 1931, it was recently resolved that the Standardised Scheme of Wages should not be introduced for the present. The position in regard to the introduction of the Standing Orders was somewhat different, and after a full consideration of the question, the Committee of the Association at a meeting held on the 19th January decided to recommend that all mills should introduce the Fawcett Committee's Standing Orders with the necessary minor modifications as and from 1st March 1931, and I am now to request that necessary arrangements for introducing these should be made.

In the interests of economy and uniformity, the Committee have decided that the Association should print the Orders in English and Marathi, and supply copies to mills according to their requirements at a nominal charge. I enclose herewith for your perusal two specimen copies of the Standing Orders in English and two copies in Marathi.* Further copies will be supplied to you on receipt by the Association of the enclosed requisition form* duly filled in. Vernacular copies supplied to the mills will contain, as required by law, the name of the mill company concerned. As the insertion of the mills' name will necessitate some type re-setting, orders for less than 50 vernacular copies will not be entertained. The order for English copies of the Standing Orders may be for a smaller number, since it is not intended to print the mills' name on the English copy.

It is recommended that, when posting the Standing Orders in the various departments of the mills, the Marathi copy should be posted above the English copy. Both should be signed by the Managing Agents in the space provided, and in the English copy, the name of the company should be inserted in the space provided in Standing Order No. 2 (*b*).

The particular attention of managers should be drawn to those rules which necessitate a change from the present practice. In this connection, I am desired to call your attention to Orders 6, 8, 13, 15, 16 and 17, 19 to 22, and 24.

Rule No. 6.—Rule 6 states that each operative without exception will be provided with a departmental ticket showing his number, etc. In view of the fact that the practice of issuing tickets is not universal in the weaving department, and that certain mills are not in favour of introducing the ticket system for weavers, the Committee have resolved that the enforcement of this rule, in so far as the weaving department is concerned, should be left to the discretion of the company concerned in those mills where the ticket system for weavers is not at present in force.

Rule 15.—The attention of mill managers should be called to the fact that in the case of a temporary breakdown of machinery, workers should not be detained in the mill for more than one hour, as otherwise, the mill company becomes liable for the payment of wages for the period of detention. No liability for payment of wages would arise if the operatives are not detained for more than one hour.

Rules 16 *and* 17.—These rules make provision for a reduction in the notice period and the method of calculating wages due for that period. It may be noticed in this connection that the notice period is reduced to 14 days.

Rules 19 *to* 22.—A uniform practice which would comply with the provisions of these rules was set forth in my letter No. 149/37, dated 20th January 1930. In regard to the proviso at the end of Order 20, regarding the utilisation of fines imposed under this rule, your attention is invited to my circular letter No. 2476/165, dated the 1st October 1930.

Rule 24.—The original rule drafted by the Fawcett Committee stated that :—

" A copy of these orders or of the orders as altered under Rule 25, in the vernacular will be handed to each operative when engaged, and he shall accept work at the mills on the understanding that he has read the said rules and agrees to abide by them."

The adoption of this Order in the form drafted by the Fawcett Committee was considered to be inadvisable. In the first place, it would be an expensive proposition to provide each operative with a copy of the Standing Orders, and it is somewhat doubtful, in view of the fact that the great bulk of the workers are not able to read, whether the Standing Order as framed by the Fawcett Committee, would be accepted by the Court in the event of a dispute, as evidence of the fact that the worker concerned had understood and accepted the terms and conditions of employment laid down in the Standing Orders. The Order in the form decided upon by the Committee of the Association overcomes this difficulty, as it provides for the Standing Orders being read to every operative employed. It will, however,

* Not printed.

be necessary for all mills to maintain for each department a special register in which signatures or thumb impressions of all operatives are recorded after the Standing Orders have been read over to them. You are, therefore, requested to make suitable provision for the introduction of such registers in your mills.

Standing Orders for Operatives.

1. These Orders shall come into force as and from the 1st March 1931.

2. In these Orders, unless there is anything repugnant in the subject or context—

(*a*) "Operatives" means all work-people male or female employed in the mill and includes "Jobbers."

(*b*) "The Company" means

(*c*) "The Manager" means the Company's Manager or Acting Manager for the time being; and

(*d*) Masculine includes feminine.

3. The decision of the Manager upon any question arising out of, in connection with, or incidental to these Orders shall be final, subject however to appeal to the Managing Agents and without prejudice to any right of an operative aggrieved by his or their decision to resort to legal proceedings in a Court of Law.

4. The Mill will work each day for such number of hours (not ordinarily exceeding ten) as the Manager may from time to time fix in accordance with the Factories Act.

5. Notice of the time of beginning and ending work will be posted on the Board outside the Timekeeper's office.

The present hours of work for adult operatives are as follows:—

7 a.m. to 12 noon.

12 noon to 1 p.m. (Recess).

1 p.m. to 6 p.m.

Provided that, with the approval of the Factory Inspector and the consent of the operatives or their representatives, these hours may be modified.

Operatives attending late are liable to be shut out and treated as absent, but may be admitted on payment of a fine.

6. Each operative without exception will be provided with a departmental ticket showing his number, and on attendance each day shall deliver up the ticket at the place provided.

7. Any operative who after presenting his ticket is found absent from his proper place or places of work without leave or other sufficient excuse is liable to be treated as absent without leave. Any operative who desires to leave his work, except for a temporary purpose within the mill premises, must apply previously in accordance with Order 8.

8. Any operative who desires to obtain leave of absence must apply previously to the Head of his Department or any officer appointed by the Manager for the purpose, who, if he thinks fit may grant him leave for a period not exceeding two months. If the leave granted exceeds one day, the Officer granting it shall keep a record of its grant and give the

operative a written and signed certificate as to the period of leave granted to him. In the event of an operative taking leave in excess of the period granted, he shall lose all his rights to reinstatement, unless he has previously secured written permission to extend the leave originally granted and returns to work on the first working day following the period covered by any such extension, or unless on his return to work he gives a satisfactory explanation for his omission to apply for such an extension and the extension is retrospectively sanctioned.

9. Operatives will be classed as (1) Probationary and (2) Permanent. A probationary operative is one who is provisionally engaged for the first time on a particular post for a period of two months during which he may be discharged or may leave at any time without notice. At the end of two months, if not discharged, a probationary operative becomes permanent.

10. No operative shall enter or leave the mill premises except by the gate appointed for the purpose.

11. All male operatives are liable on leaving the mill premises to be searched by the gateman, and all female operatives are liable to be detained by the gateman for search by the female searcher, if acting without malice he suspects that any operative so detained or searched has wrongful possession of property belonging to the Company.

12. Before the beginning of each month a notice will be posted outside the Timekeeper's office and in the mill stating (*a*) the days on which the mill will be closed during the following month, and (*b*) the date or dates on which wages will be paid.

13. Wages will be calculated to the nearest pie and the percentage allowance paid for the high cost of living shall be calculated on this amount including annas and pies, but no payment of pies shall be made. If the last figure of this calculation is five pies or less, it shall be neglected; if the last figure of this calculation amounts to six pies or more, the annas column will be increased to the next higher figure.

14. The Company may at any time or times and

(*a*) for any period or periods at their discretion in the event of a strike, fire, catastrophe, epidemic or other emergency rendering it necessary or advisable to do so, and

(*b*) for a period not exceeding two days in the event of the state of the trade rendering it necessary to do so,

stop any machine or machines, department or departments. The operatives employed on those machines or in those departments will be "played off," i.e., temporarily stopped without notice and without compensation in lieu of notice, provided that an employee "played off" for a period longer than seven days may leave the Company's service on intimation of his intention to do so, without any further notice. The employees so "played off" are not to be considered as dismissed from service but are temporarily unemployed and will not be entitled to wages during such unemployment except to the extent mentioned in Order 15. Such employees will be given the first chance of work again on the resumption of work on such machines or departments.

15. In the event of a stoppage of any machine or department under Order 14 during working hours, the operatives affected shall be informed, as soon as practicable, when work will be resumed and whether they are to remain or leave the mill. The period of detention in the mill shall not ordinarily exceed one hour after the commencement of the stoppage. If the period of detention does not exceed one hour, operatives so detained shall not be paid for the period of detention. If the period of detention in the mill exceeds one hour, operatives so detained shall be entitled to receive wages for the whole of the time during which they are detained in the mill as a result of the stoppage. In the case of pieceworkers, the average daily earnings for the previous month shall be taken to be the wages for ten hours.

16. The service of any operative may be terminated by fourteen days' notice or by payment of 13 days' wages in lieu of notice. If he draws wages on a piece-rate basis the 13 days' wages shall be computed on the average daily earnings of such operative for the previous calendar month.

17. Any operative desirous of leaving the Company's service shall give 14 days' notice to the Head of the Department concerned. The wages due to such an operative must, if possible, be paid on the day the notice expires and in any case within 3 days after the expiry of the notice. If any permanent operative leave without notice, he shall be liable to forfeit by way of liquidated damages at the discretion of the Manager the whole or part of the wages due to him for the 14 days immediately prior to his so leaving, provided that no such order of forfeiture shall be passed without giving the operative an opportunity of being heard, if he is present or his attendance can be procured without undue difficulty.

18. Any wages due to an operative but not paid on account of their being unclaimed will be paid by the Company at any time on their being claimed by the operative or his legal representatives, subject to the operative being sufficiently identified.

19. Any operative who is adjudged by the Manager on examination of the man, if present, and of the facts to be guilty of misconduct is liable to be summarily dismissed without notice, or, at the Manager's discretion to be fined.

The following acts or omissions, among other things justifying summary dismissal under the ordinary law of Master and Servant, will be treated as misconduct, namely :—

(*a*) Wilful insubordination or disobedience whether alone or in combination with another or others to any lawful and reasonable order of a superior or of the Manager.

(*b*) striking work either singly or with other operatives without giving 14 days' previous notice ;

(*c*) inciting whilst on the premises any operative to strike work without giving 14 days' previous notice ;

(*d*) habitual breach of any rules for the maintenance and running of any Department and maintaining its cleanliness ; and

(*e*) theft, fraud or dishonesty in connection with the Company's business or property.

20. Operatives will ordinarily be fined after being heard (but the acts on being repeated or in any gross case may be treated as misconduct under Order 19) for any of the following offences, namely :—

(*a*) Absence without leave for more than three days without sufficient cause ;

(*b*) negligence in work or neglect of work ;

(*c*) smoking on the mill premises except in places where smoking is permitted ;

(*d*) entering or leaving or attempting to enter or leave the mill premises except by the gate provided for that purpose ;

(*e*) habitual late attendance ;

(*f*) absence without leave or without other sufficient excuse from appointed work in the mill ;

(*g*) quarrelling or behaving in a noisy or obnoxious manner or doing anything likely to cause a breach of the peace ;

(*g A*) breach of any rules for the maintenance and running of any department and maintaining its cleanliness ; and

(*h*) taking bribes from or giving bribes to any other operative or person employed in the mill or from or to any other person having dealings with the Company as a motive or reward for doing or omitting to do any act, the performance or omission whereof would be prejudicial to the interests of the Company.

The total amount of fines inflicted under this Order 20 during any particular month shall in no case exceed two per cent. of the operatives' total earnings for that month.

All fines imposed under this Order will be credited to a Welfare Fund and utilised for such benefit or benefits to the operatives as the Company may determine.

No fine shall be inflicted by an Officer lower than the Head of the Department in which the operative fined is employed.

21. The order and the reasons for fine or dismissal of any operative shall be in writing and shall be dated and signed in the case of a fine by the Head of the Department concerned, and in case of dismissal by the Manager, and shall, in the event of a fine, state the amount. A copy of such order should, in the case of a dismissal, be supplied to the operative concerned, unless it is impracticable to do so, and in the case of a fine, should be supplied if demanded by the operative concerned. Any operative aggrieved by any such order of the Head of a Department can appeal to the Manager, and any order of the latter is appealable to the Managing Agents under the provisions of Order 3.

22. The Company shall not be entitled to debit a weaver's wages with the cost of cloth damaged by his negligence, unless he elects to take it over on those terms. Otherwise the Company may deduct from his wages an amount corresponding to the estimated loss caused to it by such negligence, provided that, if the proposed deduction exceeds the sum of Rs. 5 or the weaver disputes the damage being due to his negligence, the deduction shall not be made by an Officer of the Company lower in rank than an Assistant Weaving Master. If the latter Officer directs a deduction of Rs. 5 or over, and the weaver disputes his liability to pay the same, there shall be a joint examination of the damaged cloth by such Officer of the Company as the Manager appoints and a representative of the weaver who may be either an employee of the Company or an official of a registered Trade Union recognised by the Millowners' Association, Bombay. If they agree in their decision, the Manager shall accept their decision. If they disagree, and there is no independent person to whom the Manager and the weaver's representative agree to refer the dispute, the Manager shall decide what amount (if any) shall be deducted from the weaver's wages.

23. Each Overseer, Jobber or Mucadum will be personally held responsible for the proper and faithful observance of the special rules made under the Factories Act and posted in the mill, particularly regarding the employment and working of women and children under him.

24. A copy of these Orders or of the Orders as altered under Rule 25, in the vernacular will be read to each operative when engaged, and he shall accept work at the mill on the understanding that he agrees to abide by them.

25. The Company will not rescind, add to, or otherwise alter these Orders unless—

(1) at least two months' clear notice of the proposed rescission, addition or other alteration has been posted up in the vernacular and a copy of the same forwarded to the Millowners' Association ;

(2) objections or suggestions, if any, put forward by the operatives or their representatives within one month after the posting up of the notice have been considered by the Company ;

(3) the Millowners' Association has signified its assent in writing to the proposal, or to any modification thereof ; and

(4) the said alteration, in the form finally approved by the Millowners' Association, has been posted up in the vernacular for the information of the operatives of the Company, not less than fourteen days prior to its being given effect to.

Upon substantial compliance with the above conditions, the said alteration shall be binding on the operatives as if originally incorporated in these Orders.

Provided that nothing in the foregoing part of this rule will preclude the Company from :—

(*a*) making any such alteration with effect from an earlier time than is required by the above provisions, with the consent of the operatives or their representatives and with the approval of the Millowners' Association, or

(*b*) making by-laws or rules not inconsistent with the Standing Orders, for the maintenance or running of any Departments, maintaining cleanliness or other similar matters of internal administration.

Agents.

APPENDIX 3.

REGISTRATION OF TRADE MARKS.

Letter No. 187/41, *dated* 26*th January* 1931, *from the Association to Messrs. Craigie Blunt and Caroe, Bombay.*

A question has arisen as to whether our Rules for the Registration of Trade Marks permit the registration of a trade mark in the names of more than one mill.

In this connection I might explain that it is fairly common for a number of mills under the same Managing Agents to make joint application for the registration of a ticket or stamp, and it has always been the practice of the Association to permit such applications. According to this practice, Messrs. Currimbhoy Ebrahim & Sons, Ltd., recently applied for the registration of a trade mark known as the " Bengal Lady " trade mark in the joint names of all the mills under their agency. The application was objected to by the Simplex Mills, Ltd., who contend that " if a trade mark is to be used by more than one member—and in this case there are nine different companies claiming rights—then, it cannot possibly be an exclusive trade mark, but *ipso facto* becomes a mark common to everybody."

I enclose herewith a copy of the Association's Trade Mark Rules,* and shall be glad to hear whether in your opinion, there is anything in these rules justifying the above contention.

If, however, you hold the view that the Association's Rules sanction the registration of a trade mark in the joint names of two or more mills, I am to ask you whether you agree with the point raised by the Simplex Mills, viz., " that if a trade mark is used by more than one member then it cannot be an exclusive trade mark " ; and if so, what alterations in the Association's Trade Mark Rules you would suggest. Under ordinary circumstances, if a mark is used by two or more mills, no mill can claim exclusive rights to it, but the position, I think, is somewhat altered when two or more mills under the same Agency use a trade

* Not printed.

mark in common between them. However, I shall be glad to hear your opinion on this point.

It is, however, important to remember that the membership of the Association is confined to the actual mill company or companies in question and not to their Managing Agents: to illustrate this point, I may say that Messrs. Currimbhoy Ebrahim & Sons, Ltd., are not our members, but the membership stands in the individual names of the mills they manage.

Letter dated the 31st January 1931, from Messrs. Craigie, Blunt and Caroe to the Association.

REGISTRATION OF A TRADE MARK IN THE NAMES OF MORE THAN ONE MILL.

We beg to acknowledge the receipt of your letter No. 187/41 of the 26th instant and the accompaniments thereto.

We understand that a question has arisen as to whether the Rules of the Association for the registration of trade marks permit the registration of a trade mark in the names of two or more mills.

In this connection you state that it is fairly common for a number of mills under the same Managing Agents to make joint application for the registration of a ticket or stamp, and that it has always been the practice of the Association to permit such an application. In accordance with this practice, Messrs. Currimbhoy Ebrahim & Sons, Ltd., recently applied in the joint names of all the mills under their Agency, for the registration of a trade mark known as the "Bengal Lady."

This application has been objected to by the Simplex Mills, Ltd., who contend that if a trade mark is to be used by more than one member, and presumably in this case there are nine different companies applying for the registration of the "Bengal Lady" trade mark, then it cannot possibly be an exclusive trade mark, but *ipso facto* becomes a mark common to everybody.

We are desired to advise whether in our opinion there is anything in the Rules for the Registration of Trade Marks, justifying the above contention of the Simplex Mills, Ltd.

Further, if we are of opinion that the Rules sanction the registration of a trade mark in the joint names of two or more mills then we are asked to state whether we agree with the point raised by the Simplex Mills, namely, that if a trade mark is used by more than one member, then it cannot be an exclusive trade mark, and if our answer is in the affirmative, we are desired to state what alterations we suggest in the Rules of the Association for the registration of trade marks.

We note that the membership of the Association is confined to the mill company or companies and not to their Managing Agents, and in illustration of this fact you state that Currimbhoy Ebrahim & Sons, Ltd., are not members of the Association, but the membership stands in the individual names of the mills under their management.

We proceed to give you our opinion as desired.

Registration of a trade mark in the Permanent Register under the Rules of the Association for the Registration of Trade Marks confers no right upon the owner of the mark other than an exclusive right as against all other members to the use of the mark on goods of the class or classes specified in the Register (*Rule* 45).

The only person who can object to the registration of a trade mark in the Permanent Register is a member on whose application a trade mark, of which the trade mark proposed for registration is alleged to be an imitation, colourable or otherwise, has already been entered in the Permanent Register for use on goods of a similar class (*Rule* 14).

Consequently, if there is no objection to the registration of a trade mark, as there would not be in the case of an application by more than one mill operating under the same Agency, there is nothing in the Trade Mark Rules of the Association to prevent registration of a trade mark in the name of more than one member.

We are therefore of opinion that the Rules for the Registration of Trade Marks permit of the registration of a trade mark in the names of two or more mills, in cases in which the applications for registration are not objected to by other members on the ground mentioned in Rule 14.

As regards the objection of the Simplex Mill we are of opinion that there is no provision in the Rules which entitles the Simplex Mills Co., Ltd., to object on the ground stated by you. The only ground under the Rules on which a member can object to the entry of a trade mark in the Permanent Register is the ground set out in Rule 14.

We are further of opinion that even if the "Bengal Lady" trade mark is registered in the names of nine different members, the mark will not become a common mark as between the members *inter se*, by reason of Rule 45 which confers upon the nine members in whose names the mark has been registered in the Permanent Register an exclusive right as against all other members to the use of the trade mark, and thereby prohibits other members from using the mark, even though it may be a common mark, against the interests of the registered proprietors.

Registration of trade marks under the Rules of the Association does not confer any rights upon the members of the Association against parties who are not members of the Association.

The use by nine mills of the same mark would, in our opinion, render that mark a common mark, so as to entitle any one who was not a member of the Association to use the mark, members of the Association being precluded from using the mark by Rule 45.

We do not see that anything is to be gained by altering the Rules of the Association so as to prevent registration of a mark in the name of more than one member. Such an alteration will not benefit the members of the Association unless the whole basis of the Rules as evidenced by Rule 45 is changed.

If two or more members operating under the same Agency elect to register the same mark, the only interests likely to suffer by such registration are the interests of the proprietors of that mark by reason of the mark thereby becoming common to the trade as between such proprietors and parties who are not members of the Association. Whether this is a risk which it is worth while to run is a matter solely for the members electing to register the mark in their different names.

The fact that the members electing to register the same mark operate under the same Agency has no bearing on the question.

APPENDIX 4.

FAREWELL ADDRESS TO HIS EXCELLENCY LORD IRWIN.

To

HIS EXCELLENCY THE RIGHT HONOURABLE
EDWARD FREDERICK LINDLEY WOOD,
Baron Irwin of Kirby Underdale,
P.C., G.M.S.I., G.M.I.E.,
Viceroy and Governor-General of India.

MAY IT PLEASE YOUR EXCELLENCY,

We, the Chairman and members of the Millowners' Association, Bombay, beg to approach Your Excellency with an expression of our heartfelt regret at the termination of

your office as Viceroy and Governor-General of India. Your Excellency has guided the destinies of the country at one of the most momentous periods in its history, and earned the respect of all by the sincerity and statesmanship which have characterised your administration.

We desire to take this opportunity of emphasising our deep indebtedness to Your Excellency for the solicitude you have always shown for the welfare of the industry we represent. During Your Excellency's regime, the industry has received a measure of relief, which, while not altogether adequate, has been of material assistance to it at a time when its very existence was threatened by a combination of unfavourable factors. In particular, we should like to refer to the courageous action which the Government of India took under Your Excellency's inspiration in revising the conclusions they had reached on the recommendations of the Indian Tariff Board. Your Excellency readily acceded to our request for a full and free discussion, and it was as a result of it that the Government of India took the statesmanlike step of revising their conclusions without waiting for the opinion of the legislature. At a later date, Your Excellency was pleased to give us another opportunity of representing the needs and grievances of the industry, which resulted in the appointment of a special officer to investigate the strength and incidence of foreign competition, leading ultimately to an increase in the import duties. We need not say how very greatly we have appreciated these opportunities of placing our case before Your Excellency and the Government of India and the practical manner in which Your Excellency has evinced your solicitude for the industry, on which the well-being of millions of people depends.

The time has not yet come for passing a final judgment on the momentous events which have crowded the pages of India's history during the last five years. During a period of unusual difficulty, Your Excellency has administered the affairs of the country with a single desire to serve its best interests. With a faith which nothing could quench, Your Excellency set before yourself the task of leading India by sure and rapid stages to the goal of her aspirations, and while the path is still difficult and the end not yet completely in sight, we venture to think that a great step forward has been taken towards establishing a partnership between two great races, which will profoundly affect the future of the world. We earnestly hope that Your Excellency's wise counsels may continue to contribute to the cause of peace and good understanding between England and India.

We wish Your Excellency and Lady Irwin God-speed,and pray that health and happiness may be vouchsafed to you in abundant measure.

H. P. Mody,
Chairman,
Millowners' Association, Bombay.

16*th April* 1931.

His Excellency the Viceroy's Reply.

Gentlemen,

The hospitality of Bombay must be my excuse if my reply to your address is brief. But in the all too short period of my last visit I am to have the pleasure of receiving four addresses, and time, our inexorable master, will not stay.

I am most grateful to you for your address and for the occasion which it has afforded to me of meeting once more the members of a body, which has so large a part to play in the economic life of the City of Bombay. Your members have been through hard times, due to many causes on which it is not now necessary for me to dwell. I was glad when the Government of India were able to give some practical assistance to the industry, even at the expense of inevitable reproaches from other quarters. And I need not assure you that I shall continue to watch your future with close interest.

You have referred, Mr. Chairman, in kindly terms to my work in India during the last five years. They have been difficult years, more difficult indeed even than I anticipated when I first came among you. But I shall always be grateful that I was given this opportunity to play a part in these great events, and to do what I might to guide their course. The end of the road, as you say, is not yet, and much still remains to be done. You, Mr. Chairman, were able to take a very useful part in the Round Table Conference, and will I hope before long be carrying the work further that was there so well begun. You, gentlemen, I would ask to use all your efforts to bring about a happier understanding among all those in India, upon whom you can exert your influence.

For if we are to realise the ideal of partnership between two great peoples, to which your address alludes, then we must dethrone from men's hearts the discord, mistrust and misunderstanding which for the last three years have perpetually blocked the path, and we must exalt in their place the true desire and determination for peace. We have a chance to do so now, and I would ask every member of Government, all political parties and communities, to do their utmost alike to seize it. If we could only all join together, European and Indian, communities, parties, official and non-official, in a single united effort, we should already be more than half-way to success.

I believe that the settlement, with which Mr. Gandhi was so closely associated and which I know he is doing his best to implement, has been of great value in one special direction, in assisting towards the removal of these doubts and misgivings; but I cannot conceal from myself that here also much remains to be done. I particularly regret the tendency, manifest in some quarters, to regard the immediate future as a period of truce, of which advantage should be taken to reorganise forces for a further struggle, since the state of mind it represents is not only inconsistent with the whole-hearted discharge of the obligations which the settlement imposes, but contains within it dangerous germs of trouble. It is a continuous menace to the peace which it was our intention, and remains my dearest desire, to see re-established. On the one hand, it arouses forces which those who call them into being may find difficult of control; on the other hand, it necessarily imposes on Government the duty of preparedness for counteraction, and I fully recognise that the discharge of this duty must inevitably in its turn breed distrust.

Let all men therefore pursue peace, not as a temporary expedient, but as an enduring blessing, and I have no doubt that it is thus and thus only that the abiding interests of India can be served.

Gentlemen, I must conclude. Lady Irwin and I shall leave India with your good wishes echoing in our ears. For these we thank you again, and, in my turn, I wish you and those for whom you speak all happiness and good fortune.

APPENDIX 5.

PREVENTION OF INDUSTRIAL ACCIDENTS.

Letter No. 3779, *dated 20th December* 1930, *from the Director of Information and Labour Intelligence (Labour Office), Bombay, to the Association.*

Subject :—RECOMMENDATION CONCERNING THE PREVENTION OF INDUSTRIAL ACCIDENTS ADOPTED BY THE TWELFTH INTERNATIONAL LABOUR CONFERENCE, 1929.

I have the honour to enclose herewith 12 copies of :—

(1) the Government of India, Department of Industries and Labour, letter No. L-1769, dated the 21st November 1930, on the above subject, and

(2) the text of the Recommendation concerning the prevention of industrial accidents adopted by the Twelfth Session of the International Labour Conference, 1929,

for the information of your Association and to request you to favour me with the views of your Association by the 1st of March 1931 at the latest.

2. I would like to invite your attention to para 6 of the Government of India letter and to request you to submit your views, generally on paras 2, 3, 4 and 5 of the letter and particularly on each of the Articles of the Recommendation adopted by the Twelfth International Labour Conference.

Circular letter No. L.-1769, *dated 21st November* 1930, *from the Government of India, Department of Industries and Labour, to all Major Local Governments and the Chief Commissioner, Delhi.*

Subject :—RECOMMENDATION CONCERNING THE PREVENTION OF INDUSTRIAL ACCIDENTS ADOPTED BY THE TWELFTH INTERNATIONAL LABOUR CONFERENCE, 1929.

I am directed to forward a copy of the Recommendation concerning the prevention of industrial accidents adopted at the Twelfth Session of the International Labour Conference held in 1929 and a copy of the Resolution adopted by both Houses of the Central Legislature regarding this Recommendation. In pursuance of the terms of the Resolution, the Government of India will be much obliged for $\frac{\text{the Local Government's}}{\text{your}}$ advice on the possibility of giving effect to the Recommendation.

2. The first part (Articles 1 to 5) recommends statistical studies into the causes of accidents, investigation into the physical, physiological and psychological factors governing accidents, scientific research into the best methods of vocational guidance and the selection and development of national statistics on uniform bases so as to allow of a comparative study by the I. L. O. of the statistics of different countries. Though the Factory Inspection Departments do useful work in finding out what safety devices should be employed to minimise the risk of accidents, the requirements of this part of the Recommendation presupposes a higher stage of industrial development than exists in India. In India the lack of organisation amongst the industrial workers, their illiteracy and the absence, except in a few centres, of a permanent industrial population depending entirely on work in factories, are factors which present serious difficulties in undertaking any useful systematic research on the lines indicated, particularly in Articles 2 and 3 of the Recommendation. I am to request that the question may be studied with a view to finding out what possibilities and limitations there are in giving effect to the provisions contained in this part of the Recommendation.

3. Part II of the Recommendation (Articles 6 to 14) deals with the various methods of co-operation, e.g., periodical conferences between the inspectorate and the representative organisations of employers and workers, the appointment of safety organisations in each factory or works appointed jointly by the employers and the workers, propaganda by means of lectures, publications, cinematograph films, etc., permanent safety exhibitions, encouragement of the employers to do all they can to instruct workers in accident prevention, and of workers' organisations to co-operate in this work, etc. Other provisions in this part of the Recommendation relate to the necessity of instruction in accident prevention in schools, the provision of first-aid appliances in undertakings and arrangements for medical attendance and ambulance services. In any scheme for the prevention of industrial accidents the co-operation of the factory inspectorate, the workers and the employers is essential. In India considerable attention has been paid by individual employers and certain private organisations within recent years to the welfare of labour, and some of the measures recommended above have already been introduced in large-scale industrial establishments. There is, however, considerable scope for further advance, especially in the encouragement of the co-operation of the workers themselves. The Government of India will be glad to know what steps $\frac{\text{the Local Government}}{\text{you}}$ consider feasible with a view to encourage the measures described above.

4. Part III (Articles 15 to 21) of the Recommendation lays down certain principles which are recommended to be incorporated in national laws and regulations with a view to ensure an adequate standard of safety. Some of the requirements of this part are already met by the existing provisions in the Indian Factories Act and the Indian Mines Act and the rules framed thereunder. No legal provision, however, exists to call upon the employer to instruct his workers as to the dangers of their occupation, as recommended by Article 16. The provision in Article 19, which requires that the law should make it the legal duty of the workers to comply with the safety regulations, has no corresponding provision in the Indian Factories Act, but the Metalliferous Mines Regulations and the Coal Mines Regulations issued under the Indian Mines Act impose certain definite duties on persons working in mines with a view to the prevention of accidents and these provisions are enforced by means of prosecutions before the criminal courts. I am to request that the question may be examined as to how far and on what lines it would be desirable and practicable to amend the Indian law with a view to bring it fully in line with the requirements of Part III of the Recommendation. It will be seen that the recommendation contained in Article 21 postulates a degree of organisation and education which Indian workers do not at present possess. Any attempt, therefore, to secure by statutory provision the collaboration of workers on the lines indicated in this Article would seem in the present circumstances premature, though it may be feasible to comply with parts of this Article by administrative action combined with voluntary co-operation on the part of the employers and the employees. I am to invite ~~the views of the Local Government~~ / your views on this point.

5. Part IV (Articles 22 and 23) requires that State Members should endeavour to secure that accident insurance institutions take into account, in assessing premia, the safety measures taken by each firm and encourage such institutions in the work of accident prevention. This part of the Recommendation has little application to India on account of the limited number of insurance institutions in existence in this country. Such of the institutions as exist possibly do take steps to encourage safety measures and take them into account in assessing premia, but the Government of India have no definite information on the point.

6. For a proper examination of the question of giving effect to the Recommendation under consideration it would be necessary to scrutinise carefully each Article of the Recommendation with a view to determine how far the various recommendations are already met by the existing law in India, which of them can be given effect to by administrative orders and what further legislation will be required if the Recommendation is to be put into effect as a whole. In framing ~~their views the Local Government~~ / your views you will no doubt consider the desirability of consulting representative organisations of workers and employers and insurance societies, etc. I am to mention that the acceptance by a Member State of a Recommendation passed by the International Labour Conference does not commit her to all the terms of the Recommendation but a formal acceptance commits the State concerned to the adoption of the general principles contained in the Recommendation in drafting national legislation and in issuing administrative orders.

7. I am to ask that the reply to this letter may be forwarded so as to reach the Government of India by the 30th April 1931.

RECOMMENDATION CONCERNING THE PREVENTION OF INDUSTRIAL ACCIDENTS, ADOPTED BY THE TWELFTH INTERNATIONAL LABOUR CONFERENCE, 1929.

The General Conference of the International Labour Organisation of the League of Nations,

Having been convened at Geneva by the Governing Body of the International Labour Office, and having met in its Twelfth Session on 30th May 1929, and

Having decided upon the adoption of certain proposals with regard to the prevention of industrial accidents, which is the first item on the Agenda of the Session, and

Having determined that these proposals shall take the form of a recommendation,

adopts, this twenty-first day of June of the year one thousand nine hundred and twenty-nine, the following Recommendation, to be submitted to the Members of the International Labour Organisation for consideration with a view to effect being given to it by national legislation or otherwise in accordance with the provisions of Part XIII of the Treaty of Versailles and of the corresponding Parts of the other Treaties of Peace;

Whereas the protection of workers against injury arising out of their employment is instanced by the Preamble to Part XIII of the Treaty of Versailles and to the corresponding Parts of the other Treaties of Peace as one of the improvements in industrial conditions which are urgently required;

Whereas industrial accidents not only cause suffering and distress among workers and their families, but also represent an important material loss to society in general;

Whereas the International Labour Conference in 1923 adopted a Recommendation concerning the general principles for the organisation of systems of inspection, in which it is laid down *inter alia* that inspection, in order to become progressively more effective "should be increasingly directed towards securing the adoption of the most suitable safety methods for preventing accidents and diseases with a view to rendering work less dangerous, more healthy, and even less exhausting, by the intelligent understanding, education and co-operation of all concerned";

Whereas it is desirable that these measures and methods which experience in the various countries has shown to be most effective in enabling the number of accidents to be reduced and their gravity mitigated should be put on record for the mutual advantage of the Members;

Whereas a Resolution was adopted at the 1928 Session of the International Labour Conference in which the Conference declared its opinion that the time had come to attempt to reach a higher standard of safety by the development of new methods and that the greatest advance could be made on the lines of the Safety First Movement, although it could not supersede the action of the State in prescribing and enforcing regulations for the prevention of accidents;

Considering that it is of the highest importance that all persons or bodies, including employers, workers, employers' and workers' organisations, Governments and the general public, should use their best endeavours and every means in their power to help to prevent industrial accidents;

The General Conference recommends that each Member of the International Labour Organisation should take the following principles and rules into consideration for the prevention of accidents in industrial undertakings. The following in particular are considered as such:—

(*a*) Mines, quarries, and other works for the extraction of minerals from the earth;

(*b*) Industries in which articles are manufactured, altered, cleaned, repaired, ornamented, finished, adapted for sale, broken up or demolished, or in which materials are transformed; including ship-building and the generation, transformation and transmission of electricity or motive power of any kind;

(*c*) Construction, reconstruction, maintenance, repair, alteration or demolition of any building, railway, tramway, harbour, dock, pier, canal, inland waterway, road, tunnel, bridge, viaduct, sewer, drain, well, telegraphic or telephonic installation, electrical undertaking, gas-work, water-work or other work of construction, as well as the preparation for or laying the foundations of any such work or structure;

(*d*) Transport of passengers or goods by road, rail, sea or inland waterway, including the handling of goods at docks, quays, wharves or warehouses, but excluding transport by hand.

The Conference, considering further that the prevention of accidents is as necessary in agriculture as in industrial establishments, recommends that each Member of the International Labour Organisation should apply the Recommendation to agriculture, taking into account the special conditions of agricultural work.

I. 1. Whereas the foundations of the study of accident prevention are :—

(*a*) enquiry into the causes and circumstances of accidents,

(*b*) the study, by means of statistics of accidents in each industry as a whole, of the special dangers which exist in the several industries, the "laws" determining the incidence of accidents and, by comparison over a series of years, the effect of measures taken to avoid them.

The Conference recommends that each Member should take the necessary steps, by means of legislative or administrative action, effectively to ensure the collection and utilisation of the above information.

The Conference also recommends that methodical investigation should be carried out in each country by public services assisted, where it appears desirable, by institutions or committees set up by individual branches of industry.

The public services should have recourse to the collaboration of the industrial organisations of employers and workers and of the services responsible for the supervision of accident prevention, as well as, where desirable, of technical associations and accident insurance institutions or companies.

It is also desirable that industrial associations of employers and workers should collaborate in the institutions for accident prevention in the individual branches of industry.

2. As experience and research have shown that the incidence and gravity of accidents do not depend merely upon the dangers inherent in the work or in the kind of equipment or the various appliances in use, but also on physical, physiological and psychological factors, the Conference recommends that in addition to the investigations mentioned in paragraph 1 in connection with material factors, these other factors should also be investigated.

3. Since the suitability of the worker for his work and the interest which he takes in his work are factors of primary importance for the promotion of safety, it is important that the Members should encourage scientific research into the best methods of vocational guidance and selection and their practical application.

4. Since it is important for the furtherance of accident prevention that the results of the investigations referred to in paragraphs 1 and 2 should be made known as widely as possible, and since it is also desirable that the International Labour Office should be in possession of the information necessary to enable its work in connection with accident prevention to be extended, the Conference recommended that the more important results of the investigations should be communicated to the International Labour Office for use in its work and publications.

It is also desirable that there should be international consultation and exchange of results between the research institutions or organisations in the several industrial countries.

5. The Members should establish central departments to collect and collate statistics relating to industrial accidents and should communicate to the International Labour Office all available statistics on industrial accidents in their respective countries. They should also, with a view to the subsequent preparation of a Draft Convention, keep in touch with the

International Labour Office in framing and developing their industria laccident statistics, with a view to arriving at uniform bases which would as far as possible allow of a comparative study of the statistics of the different countries.

II. 6. In view of the satisfactory results which experience in different countries has shown to follow from co-operation between all parties interested in the prevention of industrial accidents, particularly between employers and workers, it is important that the Members should do all in their power to develop and encourage such co-operation, as recommended in the Recommendation on systems of inspection adopted in 1923.

7. It is recommended that in every industry or branch of industry, so far as circumstances require, periodical conferences should be held between the State inspection service, or other competent bodies, and the representative organisations of employers and workers concerned: (*a*) to consider and review the position in the industry as regards the incidence and gravity of accidents, the working and effectiveness of the measures laid down by law, or agreed upon between the State or other competent bodies and representatives of the industry, or tried by individual employers, and (*b*) to discuss proposals for further improvement.

8. It is further recommended that the Members should actively and continuously encourage the adoption of measures for the promotion of safety, in particular (*a*) the establishment in the works of a safety organisation which should include arrangements for a works investigation of every accident occurring in the works, and the consideration of the methods to be adopted for preventing a recurrence ; the systematic supervision of the works, machinery and plant for the purpose of ensuring safety, and in particular of seeing that all safeguards and other safety appliances are maintained in proper order and position ; the explanation to new, and especially young, workers of the possible dangers of the work or the machinery or plant connected with their work ; the organisation of first-aid and transport for injured workers ; and the encouragement of suggestions from the persons employed for rendering work safer ; (*b*) co-operation in the promotion of safety between the management and the workers in individual works, and of employers' and workers' organisations in the industry with each other and with the State and with other appropriate bodies by such methods and arrangements as may appear best adapted to the national conditions and aptitudes. The following methods are suggested as examples for consideration by those concerned : appointment of a safety supervisor for the works, establishment of works safety committees.

9. It is recommended that the Members should do all in their power to awaken and maintain the interest of the workers in the prevention of accidents and ensure their co-operation by means of lectures, publications, cinematograph films, visits to industrial establishments, and by such other means as they may find most appropriate.

10. It is recommended that the State should establish or promote the establishment of permanent safety exhibitions where the best appliances, arrangements and methods for preventing accidents and promoting safety can be seen (and in the case of machinery, seen in action) and advice and information given to employers, works officials, workers, students in the engineering and technical schools, and others.

11. In view of the fact that the workers, by their conduct in the factory, can and should contribute to a large extent to the success of protective measures, the State should use its influence to secure (*a*) that employers should do all in their power to improve the education of their workers in regard to the prevention of accidents, and (*b*) that the workers' organisations should by using their influence with their members co-operate in this work.

12. The Conference recommends that, in addition to measures taken in pursuance of the preceding paragraphs, the State should arrange for monographs on accident causation and prevention in particular industries or branches of industry or particular processes to be prepared by the State inspection service or other competent authorities, embodying the experience obtained as to the best measures for preventing accidents in the industry or process, and to be published by the State for the information of employers, works officials and workers in the industry and of employers' and workers' organisations.

13. In view of the importance of the work of education referred to in the preceding paragraph, and as a foundation for such education, the Conference recommends that the Members should arrange for the inclusion in the curricula of the elementary schools of lessons designed to inculcate habits of carefulness, and in the curricula of continuation schools lessons in accident prevention and first-aid. Instruction in the prevention of industrial accidents should be given in vocational schools of all grades, where the importance of the subject both from the economic and moral standpoints should be impressed upon the pupils.

14. In view of the great value of immediate first-aid treatment in lessening the gravity of the consequences of accidents, measures should be taken to ensure that the necessary material for first-aid should be kept ready for use in all undertakings and that first-aid by properly trained persons should be given. It is also desirable that arrangements should be made to ensure that in case of serious accidents the services of a doctor are available as soon as possible. Arrangements should also be made for providing ambulance services for the rapid transport of injured persons to hospital or to their homes.

Special attention should also be paid to the theoretical and practical training of doctors in the treatment of injuries due to accidents.

III. 15. As any effective system of accident prevention should rest on a basis of statutory requirements the Conference recommends that each Member should prescribe by law the measure required to ensure an adequate standard of safety.

16. It should be provided by law that it is the duty of the employer to equip and manage his undertaking in such a way that the workers are adequately protected, regard being had to the nature of the undertaking and the state of technical progress, as well as to see that the workers in his employment are instructed as to the dangers, if any, of their occupation and in the measures to be observed by them in order to avoid accidents.

17. It is in general desirable that plans for the construction or substantial alteration of industrial establishments should be submitted in due time to the competent authority, in order that it may be ascertained whether the plans are such as to satisfy the statutory requirements referred to above. The plans should be examined as rapidly as possible in order not to delay the execution of the work.

18. So far as the administrative and legal systems of each country allow, officials of the inspection service or other body responsible for supervising the enforcement of the statutory requirements for the protection of workers against accidents should be empowered to give orders in particular cases to the employer as to the steps to be taken by him to fulfil his obligations, subject to a right of appeal to a higher administrative authority or to arbitration.

In case of imminent danger the supervising authority should be empowered to require immediate compliance with the orders, notwithstanding the right of appeal.

19. In view of the importance of the conduct of the worker in connection with accident prevention, the law should provide that it is the duty of the worker to comply with the statutory requirements on accident prevention and particularly to refrain from removing safety devices without permission and to use them properly.

20. It is recommended that before administrative orders or regulations for the prevention of accidents in any industry are finally issued by the competent authority, opportunity should be given to the representative organisations of employers and workers concerned to submit their views for the consideration of the competent authority.

21. Statutory or administrative provision should be made enabling the workers to collaborate in securing the observance of the safety regulations by the methods best suited to each country: for example, the appointment of qualified workers to positions in the official inspection service; regulations authorising the workers to call for a visit from an official of the inspection service or other competent body when they consider such a course desirable,

or requiring the employer to give workers or their representatives an opportunity of seeing the inspector when he is visiting the undertaking ; inclusion of workers' representatives in safety committees for securing the enforcement of the regulations and establishing the causes of accidents.

IV. 22. The Conference recommends that the State should endeavour to secure that accident insurance institutions or companies take into account, in assessing the premium for an undertaking, the measures taken therein for the protection of the workers, in order to encourage the development of safety measures by employers.

23. The State should use its influence with accident insurance institutions and companies to co-operate in the work of accident prevention by such means as the following: communication of information on causes and consequences of accidents to the inspection service or other supervising authorities concerned ; co-operation in the institutions and committees referred to in paragraph 1 and in the Safety First Movement in general ; advances to employers for the adoption of improvement of safety appliances ; the award of prizes to workmen, engineers and others who, by their inventions or ideas, contribute substantially to the avoidance of accidents ; propaganda among employers and the public ; advice on safety measures, contributions to safety museums and institutions for instruction in accident prevention.

Resolution adopted by the Council of State on 10th March 1930, and by the Legislative Assembly on 7th July 1930.

"That this $\frac{\text{Council}}{\text{Assembly}}$, having considered the Recommendation concerning the prevention of industrial accidents and the Recommendation concerning responsibility for the protection of power-driven machinery adopted at the Twelfth Session of the International Labour Conference, recommends to the Governor-General in Council that he should examine the possibility of giving effect to the Recommendation concerning the prevention of industrial accidents and that the results of this examination should be placed before this $\frac{\text{Council}}{\text{Assembly}}$ within eighteen months from this date."

Letter No. 646/55, dated 23rd March 1931, from the Association to the Director of Information and Labour Intelligence, Bombay.

Subject :—RECOMMENDATION CONCERNING THE PREVENTION OF INDUSTRIAL ACCIDENTS ADOPTED BY THE TWELFTH INTERNATIONAL LABOUR CONFERENCE, 1929.

I am directed to acknowledge receipt of your letter No. 3779, dated the 23rd December 1930, and in reply, to set forth below my Committee's views on the recommendation adopted by the Twelfth International Labour Conference on the question of the prevention of industrial accidents.

The recommendations of the International Labour Conference for prevention of industrial accidents fall under four different heads, namely :—

(1) Statistical studies ;
(2) Methods of co-operation ;
(3) Legislation ; and
(4) Work by the insurance institutions.

It may be stated at the outset that this expression of the Association's views relates to conditions in the Indian Cotton Textile Industry only.

The first part recommends statistical studies into the causes of accidents. Statistical studies of accidents in textile factories are already made by the Factory Inspection Department and the Millowners' Mutual Insurance Association, Ltd., and in addition, every serious

or fatal accident is investigated at the scene of the accident as soon as possible after it occurs. These studies and special investigations have resulted in very useful suggestions for accident prevention as far as the Bombay Cotton Textile Industry is concerned. As regards investigations into physical, physiological and psychological factors governing accidents, it is not clear what type of enquiry is intended, and this question can therefore be dealt with only on fuller details being made available.

The Association agree with the recommendations for vocational guidance. They feel that collaboration between the employers and workers would be of advantage, but is not possible at present owing to the lack of organisation amongst the workers, mainly because of their illiteracy as also for want of a class of workers in the textile industry which can be called a permanent industrial class. So far as Government, employers and insurance companies in India are concerned, the collaboration suggested in the recommendations does exist and present legislation provides for adequate statistical information to be supplied on which conclusions in regard to the causes of accidents can be based.

The second part of the recommendation, which deals with the methods of co-operation, suggests periodical conferences between Inspectors, employers and workers, which would be quite acceptable to the industry in so far as the first two are concerned. As mentioned above, owing to the absence of any organisation of the workers and their illiteracy, it would be difficult to organise conferences with the workpeople which would yield any results. The recommendations aim at the establishment of safety organisations for investigation of accidents which is at present adequately provided for by existing legislation. Every accident that involves an absence from work of over 48 hours, according to Section 34 of the Factories Act, has to be reported to the Factory Inspection Department and is generally investigated by them. The information at the disposal of the Millowners' Mutual Insurance Association has also been found useful in estimating the causes of accidents, and with the help of the Factory Department, steps have been taken to prevent their recurrence.

The second recommendation deals with the supervision of machinery and plant as also of safety devices, which is fully covered under the Act. As mentioned above, all serious accidents are investigated by the Factory Department and necessary steps taken for their prevention. The supervision exercised by the Factory Department has been responsible for a high standard being maintained in the provision of safety devices for dangerous machinery. The Act lays down specific provisions for the observance of workpeople with a view to secure a greater measure of safety for them in their work. For instance, Rule 42 of the Factories Act warns workpeople especially against their wearing loose clothing when attending to their work in a mill or factory. Under instructions issued by the Millowners' Mutual Insurance Association, it is the duty of jobbers in charge of a department to draw the attention of new employees to the dangerous nature of the machinery which they have to handle, and rigid instructions are given to the men prohibiting them from adjusting or cleaning any machinery in motion.

Facilities for the administration of first-aid to injured workmen and their speedy removal to hospital are not so extensively provided for as one would wish, but with an improvement in the financial position of mills, it may be expected that such facilities will be more generally available. It may, however, be stated that almost all mills have a properly qualified medical man to treat their workpeople daily at the mills, while they also provide ample facilities for the provision of medicines and drugs in common use. The Association have now also under consideration a scheme for giving adequate training to jobbers in first-aid with a view to minimise the effects of serious injury and give relief before expert aid can reach the injured worker.

The Conference makes a recommendation for co-operation between the employers' and the workers' organisations in order to reduce the number of accidents. Though there are in existence a number of trade unions, they are not so well organised as to interest themselves in measures for the safety of workers, and no co-operation, therefore, between the two appears to be likely for some time to come.

The appointment of safety supervisors does not seem to be necessary, as, under the Act, namely Rules 62 and 64, all minor accidents have to be reported to Inspectors whose duty it is under the Act to investigate them, and if possible, to devise means for the prevention in future of accidents arising from similar causes.

The Association agree with the suggestion that steps should be taken to awaken and maintain by suitable means the interest of the workpeople themselves in the prevention of accidents. The different methods mentioned in the recommendation are lectures, publications, films and safety exhibitions and other instruction in accident prevention to workers. The Association generally approve of the principle of lectures, publications and films, but are of the opinion that with existing labour conditions, lectures and publications will not have the same beneficial results as they might be expected to have if labour was more enlightened, and consequently better able to understand the instruction provided for them by these means. My Committee would, therefore, suggest the more extensive use of safety posters which are capable of being easily understood and more readily appreciated by the working classes. Monographs on the subject by Government, though desirable, would, it is believed, fail to achieve their purpose owing to the prevailing illiteracy of the ordinary workman. Safety posters introduced by the Millowners' Mutual for the textile industry in Bombay, and by a railway administration, have been found very satisfactory, but it is believed that if such posters were to be issued by Government, it would ensure their wider publicity.

No " safety " exhibitions have so far been held, but the Association favour the idea even though it is realised how difficult it would be to bring home the value of such exhibitions to a large industrial population employed in widely different industries and scattered in different parts of the country, far removed from one another, and from any central organisation which would facilitate mutual intercourse and interchange of ideas, as suggested by a " safety " exhibition of the kind contemplated. In regard to the question of making instruction in first-aid a part of the curriculum in schools, the Association are not in a position to express an opinion, but would point out that facilities for such instruction exist outside schools and are available at small cost to those who are inclined to qualify themselves for such work.

The third part of the recommendation relates to the enactment of legislative measures for the equipment of machinery with safety guards, imposing duties upon the employers and the workers and provision of authority to the Inspectors to view the machinery and order the installation of any new safety devices where necessary. The Association would like to point out that the Factory Act in India amply meets these requirements and makes it obligatory for the employers to take adequate measures for sufficiently guarding dangerous machinery. It may be added that textile machinery is particularly well provided with guards and devices to make it as safe as possible to the worker. The existing law gives sufficient powers for inspection of such machinery to the Inspectors of the Factory Department whenever required, and they are at liberty to suggest the introduction of any other safety devices which, in their opinion, would more adequately serve to secure the end in view. Apart from any legal authority, the textile industry is generally willing to follow suggestions made by the officers of the Factory Department, and a large number of protective devices are at present in use, though there is no definite provision prescribing their employment. So far as the textile industry is concerned, the duty of providing adequate safeguards for machinery is laid upon employers, and it may be said without fear of contradiction that they have carried out these safety measures to the entire satisfaction of the Factory Inspection Department. Accidents, however, do happen in spite of these precautionary measures, which, in the opinion of the Association, are due more often than not to operatives' disregard of all instructions in the use of machines, or to their removing guards, or otherwise tampering with the machinery. It is necessary, in this connection, to point out the entire absence of any penal sections in the Factory Act prohibiting the removal of guards or any other safety device by a workman, which is likely to lead to a serious accident and injury to himself and/or others, whereas any omission on the part of the employers to take measures for the safety of their workmen or failure to maintain guards, etc., in an efficient manner is visited with punishment. The Association would, therefore, like to suggest the enactment of a provision in the present Factory Act which would penalise the removal of or tampering with any safety device by a workman.

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The recommendation also suggests an administrative provision to enable workers to collaborate with employers and officials in suggesting measures which will lead in any way to reduction of accidents. There would be no objection on the part of any employers if such provisions were introduced, though it is at present quite open to workers to point out any measures for guarding the machinery better, or to see the Inspectors when they come to nspect the machinery. In the textile industry, machinery is inspected at frequent intervals and in the investigation of accidents the Inspectors have to find out the causes by questioning the workers, who thus have easy access to the officials.

Part IV states that the State should endeavour to secure that accident insurance companies should take into account, in assessing the premium for an undertaking, the measures taken therein for the protection of the workers, and recommends greater collaboration in the work of the Factory Inspection Department and the insurance companies concerned for the prevention of accidents. With regard to the former, my Committee believe, that in cases where the safety devices adopted are distinctly in advance of the present-day requirements, the insurance companies do consider the question of covering such risks at reduced rates.

My Committee beg to point out that there is at present very close co-operation between the Factory Inspection Department, the Millowners' Association and the Millowners' Mutual Insurance Association, and valuable work in accident prevention has been done as a result thereof by the Factory Inspection Department. Frequent inspections of machinery and safety devices are made to see that the guards, etc., required under the Act are used and maintained in an efficient state. Whenever it has been found that on any particular machine, accidents are frequent, the suggestions made by the Factory Inspection Department for their prevention are attended to by the mills. The frequency of accidents on looms having been brought to the notice of the Factory Inspection Department and the Millowners' Mutual Insurance Association, the Department's suggestion for the substitution of shuttle bar guards for guards of the hook type was readily accepted and given effect to by many members of the Millowners' Association. As the result of a fatal accident in the card room of a Bombay mill due to tetanus ensuing from a trivial injury, the Millowners' Mutual Insurance Association caused arrangements to be made for anti-tetanus injections being given in all card-room accidents due to injuries received at the licker-in, card cylinder or doffer cylinder.

In certain cases, accidents have been caused by other workmen starting a machine while the injured man was engaged in cleaning or repairing it. These accidents could, to a large extent, be prevented by the exercise of greater care on the part of the workpeople.

A third source of accidents is the careless handling of the machines by workpeople, which can only be prevented by an increase in efficiency which might be brought about by a more intelligent appreciation of the chief dangers on various machines. As an aid to this, the Millowners' Mutual Insurance Association has issued "safety first" posters free of charge to members. These posters illustrate very graphically the danger of work on cards at the front plate either during or after the stripping process, the dangers at the under side of the licker-in, the danger of careless sweeping under ring frames, and the danger of wearing loose clothing in the card room.

APPENDIX 6.

TRAINING OF MILL OPERATIVES IN "FIRST-AID."

Circular No. 677/55, *dated 26th March* 1931, *to All Members of the Association.*

I am directed to invite your attention to the underquoted recommendation adopted at the Twelfth Session of the International Labour Conference :

" In view of the great value of immediate first-aid treatment in lessening the gravity of the consequences of accidents, it is highly desirable that first-aid by properly trained persons should be given in undertakings generally as well as medical treatment in the larger

undertakings. Arrangements should also be made for providing ambulance services for the rapid transport of injured persons to hospitals or to their homes."

The importance of rendering " first-aid " to the injured has been universally recognised, and though the necessity of such service is not as great in the case of mills which have their own full-time medical officers as it is in the case of those where medical attendance is only available at fixed hours, it will be readily admitted that the provision of such facilities as " first-aid " service in every mill would greatly alleviate suffering and prevent complications, development of septic poisoning, etc., etc., if expert medical attention were, for some reason or other, unavoidably delayed. The Committee of the Association are conscious of the medical facilities at present afforded to their operatives by Bombay mills generally, but in view of the possibilities pointed out above, it is thought desirable that such provisions should be supplemented by a " first-aid " service, drawn from the staff of the mills concerned.

It appears that the Ahmedabad Millowners' Association have already achieved considerable progress in this direction, and a scheme of training in first-aid has been initiated in certain mills in Ahmedabad under the control and guidance of the local brigade of the St. John Ambulance Association.

The cost of training is negligible : each candidate has to provide himself with an instruction book and other essential accoutrements costing in all about Rs. 2 per head. In addition, provision may also have to be made for conveyance allowance, etc., of instructors to be provided by the St. John Ambulance Association, but this is a subject on which further negotiations are necessary, and probably some arrangements may be made direct by this Association.

The Committee have carefully considered the question, and they are of the opinion that, provided a sufficient number of candidates offer themselves for training, it might be possible to make arrangements with the Bombay Brigade to provide the requisite staff for conducting the classes. Classes will be held in Marathi and English, and if, as is anticipated, an adequate response is forthcoming, special arrangements may be made to open as many training centres as may be necessary. However, the question is receiving the attention of a special sub-committee of mill managers, and it would greatly assist them in the formulation of a definite scheme of training if you could let them know at your early convenience, whether in the event of satisfactory arrangements being made by the Association with the St. John Ambulance Association, any members of your mill staff including jobbers would be willing to offer themselves for training, and if so, how many.

When the full training course has been completed, the mills concerned may be required to maintain a first-aid outfit consisting of a stretcher and other equipments at a nominal cost. It is understood that the training classes will not interfere with the ordinary mill routine.

Circular No. 2504/554, *dated* 18*th September* 1931, *to All Members of the Association.*

" FIRST-AID TRAINING."

At their meeting held on 9th February 1931, the Committee considered the question of imparting training in " first-aid " to the cotton mill staff of Bombay, and were of the opinion that, provided a sufficient number of candidates offered themselves for training, it might be possible to make arrangements with the Bombay Brigade of the St. John Ambulance Association to provide the requisite staff for conducting the classes.

Members of the Association were accordingly circularised as per my letter No. 677/55, dated the 26th March 1931, with a view to ascertain whether, in the event of satisfactory arrangements being made, any of their staff would offer themselves for training. It was also indicated that admission should be limited to mill staff including jobbers. The response was very satisfactory, and as many as 600 volunteered themselves for training, of whom about 120 could follow instructions in English, 360 in Marathi, 110 in Gujerati, and the rest in Urdu.

The various Honorary Secretaries of the St. John Ambulance Association, whom I have since consulted in this matter, are of the opinion that, in view of the heavy expenditure involved, it would be advisable, at the outset at any rate, to formulate a less ambitious scheme. A curtailment of the scope of the scheme is also essential in view of the fact that only four Honorary Class Secretaries are available at present for lecture purposes, and a more comprehensive scheme—which means more classes—would strain them too much. It was, therefore, decided :—

(1) That three centres be opened for training as follows :—

(*a*) Kohinoor Mills .. .. .. Available for candidates from mills situated in Dadar, Naigaum, Parel and Sewree.

(*b*) Social Service League Hall, Kalachowky Road (next to Venus Cinema). } Available for candidates from mills situated in Suparibaug Road and Kalachowky.

(*c*) Currimbhoy Mill Hall .. .. Available for candidates from mills situated in DeLisle Road and Fergusson Road.

(2) Instruction in the above centres be imparted as follows :—

Centre.	No. of classes.	Language.	Day of week.	Instructor.
(*a*) Kohinoor Mill	1	English ..	Friday ..	Mr. Phanse.
(*b*) Social Service League Hall ..	1	Marathi ..	Wednesday.	Mr. Kothare.
(*c*) Currimbhoy Mill Hall	1	Marathi ..	Tuesday ..	Mr. Khade.
	1	Gujerati ..	Monday ..	Mr. Panthaki.

(3) Classes to commence ordinarily at 6-30 p.m. on the days mentioned and to last for about an hour ;

(4) Classes to be held only at weekly intervals and the total duration of the course to be about 16 weeks ;

(5) The total number of candidates which could be conveniently admitted into each class will be as follows :—

(*a*)	English	40 students.
(*b*)	Marathi (2 classes of 40 each)	80 ,,
(*c*)	Gujerati	40 ,,
		160 students.

Expenditure.—The instructors are prepared to undertake the work without any salary, but the Committee might consider, in due course, the desirability of making an allowance which would cover their cost of conveyance.

The cost of the books, equipments, etc., work out at about Rs. 200 and the Committee have sanctioned that this expenditure be defrayed from the funds of the Association. I have not included in the above estimate the cost of the bandage cloth which would be required, as

the 40″ grey longcloth produced in mills would be sufficient for the purpose, and it is hoped that the mills concerned would be willing to provide their candidates with cuttings of suitable lengths.

Proficiency certificates.—At the end of the prescribed course of training, a certificate of proficiency and a badge will be granted to each candidate who passes the examination, on payment of a fee of As. 8. The Committee suggest that this expenditure be defrayed by the mills concerned.

This, in brief, is the scheme outlined by the Honorary Secretaries of the St. John Ambulance Association. It may be necessary for the Association to supplement the scheme in certain respects in order to sustain the interest of the candidates in the classes. After the first few lectures, interest in the classes may wane, and a fall in attendance may result. To prevent this, it is suggested that the mills concerned might make it clear to their workers who attend the classes that such of their staff as are able to obtain a certificate of proficiency in " first-aid " will be enrolled as the mill's " First-aid Squad " and entitled to receive extra remuneration each month. Later on, it may be necessary, with a view to keep their knowledge up to date, to encourage the formation of a " Mills Division St. John Ambulance Association " with an executive and Secretary to arrange periodical training, meetings or competitions. But this may be left over for the time being.

Selection of candidates for training.—The limitation of the scope of the scheme renders it imperative that candidates should be selected with utmost care. In other words, it is essential that the selection should be extended only to such persons whose attendance can be procured in an emergency with the least delay, and minimum inconvenience, for example, Dispensary attendants, literate jobbers and assistant jobbers and apprentices. It might also be laid down by mills that a certificate of proficiency in " first-aid " is an essential qualification for an appointment as a dispensary attendant.

I am now to request you to ascertain from your mills the exact number of candidates who are willing to offer themselves for training. In your reply, kindly state the name of each candidate and the following particulars :—

1. Full Name.....
2. Age.....
3. Residential Address.....
4. Occupation in mill.....
5. Language in which the candidate desires to have instruction.....

(The names of not more than 8 to 10 candidates *per mill* need be sent to me.)

A very early reply to this communication is requested as it is intended to commence the classes early in October.

Circular No. 2980/55A, dated 2nd November 1931.

Subject :—" FIRST-AID " CLASSES.

I beg to enclose herewith for your information the final list of candidates who have been selected from your mills in connection with the " first-aid " classes organized by the Association. The list also describes the centre at which each candidate will be trained, and the exact day and hour at which the various classes will be held each week. I shall greatly appreciate it if you will kindly instruct your Mill Manager to notify the candidates accordingly. If possible, the Manager might call together all the selected candidates from his mills, explain to them the various arrangements, so that there may not be any misunderstanding whatsoever

as regards the details, and strongly urge on them the desirability of attending the classes regularly.

The classes will commence as follows :—

I. *English* .. At the Kohinoor Mill premises on Friday, 20th November, at 6-30 p.m. (S.T.), and thereafter on each Friday for the duration of the course of lectures.

II. *Marathi* .. (1) At the Social Service League Hall, Kalachowki Road (next to Venus Cinema), on Wednesday, 18th November, at 6-30 p.m. (S.T.), and thereafter on each Wednesday for the duration of the course of lectures ;

(2) At the Currimbhoy Workmen's Institute, DeLisle Road, on Tuesday, 17th November, at 6-30 p.m. (S.T.), and thereafter on each Tuesday for the duration of the course of lectures.

III. *Gujerati* .. At the Currimbhoy Workmen's Institute, DeLisle Road, on Monday 16th November, at 6-30 p.m. (S.T.), and thereafter on each Monday for the duration of the course of lectures.

I take it that the mills concerned would be willing to furnish the bandage cloth required by their men. Any grey cloth, 40" square, cut across diagonally, would be ample for the purpose, and each candidate may kindly be supplied with two such pieces. I shall be sending to the instructors direct, books and other equipment necessary for these classes, for distribution to the students.

APPENDIX 7.

PROPOSED ESTABLISHMENT OF A RATING TRIBUNAL IN BOMBAY.

Letter No. 3244/117, *dated 3rd December* 1931, *from the Association to the Secretary to the Government of Bombay, General Department, Bombay.*

I am directed by the Committee of the Millowners' Association to address you on the question of the establishment of a Rating Tribunal for Bombay. The present system of assessment, collection and disposal of complaints relating to property taxes is defective in many ways, and in the opinion of my Committee, the time has come for overhauling it.

2. By Section 140 of the Bombay Municipal Act, buildings and lands in the City are liable to three different kinds of property tax, viz., water tax, halalkhore tax and general tax. These taxes are computed on the rateable value of the buildings and lands in respect of which they are to be levied. Consequently, it is necessary in the first instance to ascertain the rateable value of the buildings and lands to be assessed.

3. Section 154 of the Act states that in order to fix the rateable value of any building or land assessable to a property tax, there shall be deducted from the amount of the annual rent for which such land or building might reasonably be expected to let from year to year, a sum equal to 10 per cent. of the said annual rent, and the said deduction shall be in lieu of all allowance for repairs or on any other account whatever ; the value of any machinery contained or situate in or upon any building or land shall not be included in the rateable value of such building or land.

The provisions of this section render it necessary to ascertain the annual rent for which such land or building might reasonably be expected to let from year to year, and to enable the Commissioner to determine such rateable value, he may, under Section 155 of the

Act, require the owner or occupier of any building or land to furnish him with information as to the dimensions of such building or land, or of any portion thereof, and the rent, if any, obtained for such building or land or any portion thereof.

4. My Committee are not aware whether the Commissioner obtains any independent advice or whether he fixes the annual rent of any land or buildings, which he intends to assess, merely on the information which he calls for under Section 155 or obtained after a visit of personal inspection by the staff of the Assessment Department. Having decided in his mind what is the rateable value of any building or land, the Commissioner then enters particulars thereof in the Ward Assessment Book, and gives public notice of his having done so. Any person interested can then complain against the rateable value of his property, and by Section 165, the Commissioner is required to investigate and dispose of the complaint. As a matter of fact, he never does so, but deputes such investigation to the Assessor and Collector of Municipal Taxes, who may possibly have some experience in land values, but has absolutely no knowledge or experience of the law of rating in so far as that law is applicable to hereditaments other than inhabited houses.

If the Assessor and Collector confirms the assessment—as he did in practically every case in the recent assessment appeals filed by cotton mills—the complainant can appeal to the Chief Judge of the Small Causes Court under Section 217 of the Act, provided he appeals within fifteen days after his complaint has been disposed of by the Assessor and Collector, and provided also that he has previously deposited with the Commissioner the amount of the tax for which his property has been assessed.

5. Under Section 219, the decision of the Chief Judge of the Small Causes Court upon any appeal against the rateable value is final.

6. The whole procedure is, in the opinion of my Committee, unfair to the assessee for the following reasons :—

Firstly, the method by which the Commissioner presumably arrives at the rateable values of certain classes of buildings or lands is not based on any recognised practice ;

Secondly, the fact that the first appeal against the rateable value is either to the Commissioner himself or to his deputy is obviously objectionable in principle ;

Thirdly, having regard to the diversity of hereditaments to be assessed, including railways, docks, factories, mills, race-courses and other exceptional cases, rating has become a matter of extreme complexity, for the investigation of which the Chief Judge of the Small Causes Court, however eminent a lawyer he may be, has not any special technical knowledge.

7. In this connection, it may perhaps be of interest to Government if a passing reference was made to the provisions of the law in England, which still remains the model on which most of the statutory enactments of India have been based. Under the Rating and Valuation Act of 1925, the rateable values are taken, for the purposes of the rates, from valuation lists, and the Act prescribes the provisions which regulate the preparation of these lists and objections and appeals relating to them. A valuation is made every five years, and it passes through three stages before it becomes operative, viz.,—

(1) It is made by the Rating Authority for the Parish, which authority is usually an expert in the rating of properties for property tax purposes ;

(2) It is revised by the Assessment Committee ;

(3) Appeals may be brought upon the decision of the Assessment Committee direct to Quarter Sessions. From Quarter Sessions, there is an appeal on a question of law to a Divisional Court (two judges) of the King's Bench Division of the High Court of Judicature in London, thence to the Court of Appeal (three judges) and thence again, if necessary, to the House of Lords. There are also provisions in the English Act under which the Assessment Committee can secure the assistance

of an expert valuer or appoint a competent person to assist them for the valuation. It can easily be conceived that, where an hereditament of a special nature, such, for instance, as a factory, dock, railway or other similar case, comes up for valuation, the Assessment Committee will naturally secure the assistance of an expert to survey and value the particular hereditament.

8. The procedure followed in England affords a striking contrast to what actually takes place in Bombay. It is not known, as stated previously, whether the Municipal Commissioner in valuing a mill, dock or railway or other similar hereditament—as to the values of which he can have no possible clue by reference to similar hereditaments in the neighbourhood as in the case of inhabited houses—employs an expert valuer to assist him or to survey and value the hereditaments in question. It will no doubt be conceded that the Municipal Commissioner, in the performance of his duties under the Act, must do the best he can, but the point is that if after doing the best he can, there is a flaw in his valuation, the owner or occupier concerned should be entitled to have the valuation investigated by an authority more specially qualified to decide on the true value of the hereditament.

9. My Committee have carefully considered the question, and have come to the conclusion that a special Tribunal should be constituted to investigate and deal with such assessment appeals as have been disposed of by the Assessor and Collector of Taxes under Section 165 of the Municipal Act. At least one member of the Tribunal should be a person with a special knowledge of rating law and practice, and among the other members there should be a judicial officer of high standing. Such a Tribunal should exercise the powers at present conferred on the Chief Judge of the Small Causes Court and, in addition, enjoy some of the powers conferred on the Assessment Committee of England, especially in the matter of appointment of experts to assist them. An appeal against the decision of the Tribunal on points of law only should lie to the High Court.

It is not proposed that the special Tribunal should have anything to do with the assessment of residential properties, the present method of assessment of which may be regarded as more or less satisfactory. The special procedure suggested should apply only to hereditaments of the nature of mills, dock properties, railways, etc., where the letting value cannot be determined by the ordinary method of ascertaining.

I shall be glad if the suggestions made in this letter will be carefully considered by Government.

APPENDIX 8.

BANK RATE.

Letter No. 392/66, *dated* 17*th February* 1931, *from the Association to the Secretary to the Government of India, Finance Department, New Delhi.*

Under instructions from my Committee, I am directed to draw the attention of the Government of India to the difficulties which the Cotton Mill Industry is at present experiencing owing to the high Bank rate. During the last few years, as is well known to the Government of India, the Cotton Mill Industry of the country, and particularly that of Bombay, has been depressed, with the result that a great deal of the working capital, which was formerly supplied by the general public in the form of deposits at moderately low rates of interest, has now to be obtained directly and indirectly from the Banks at rates at or above the prevailing Bank rate. On October 1st, 1930, the last date for which detailed figures are available, 64 mills in Bombay with a paid-up capital of Rs. 12.14 crores, had obtained loans from the Banks and their Managing Agents of no less than Rs. 7.58 crores, at or about prevailing Bank rates. The Bank rate on October 1st was 5 per cent. At the time of writing, it is 7 per cent. This, in effect, means that the interest charges of these 64 mills have been increased by many lakhs of rupees per annum despite the fact that money is relatively easy.

My Association understand that increase in the Bank rate has been necessitated by the steps which Government have taken to maintain the exchange value of the rupee at 1*s.* 6*d.* My Committee are of opinion that facilities should be given so as to ensure that industries should obtain their loans from Banks at figures more nearly approximating to the rates for call money. In this connection, my Committee would like to ask whether it would not be possible for the Government of India, in the interests of both the cotton industry and the cotton grower, to make some arrangement with the Imperial Bank, under which the rate of interest for financing stocks of raw material should receive exceptional treatment when the Bank rate is 5 per cent. or higher.

Letter No. D. 1299-F., dated 6th March 1931, from the Government of India, Finance Department, New Delhi, to the Association.

With reference to your letter dated the 17th February 1931, regarding the present difficulties of the Cotton Mill Industry to obtain finance owing to the high bank rate, I am directed to state that the terms on which advances are made by the Imperial Bank of India being entirely a matter for settlement between the Bank and its clients, the Government of India regret that they cannot intervene.

APPENDIX 9.

SUPPLEMENTARY BUDGET PROPOSALS OF THE GOVERNMENT OF INDIA.

Proceedings of the Legislative Assembly—29th September 1931.

STATEMENT ON THE FINANCIAL POSITION BY THE FINANCE MEMBER.

I rise to make a statement on the financial position and on our plans for dealing with it, in somewhat unusual and difficult circumstances. On the one hand it is necessary that we should not delay in restoring equilibrium between revenue and expenditure. On the other hand the foundations on which we have to base our estimates are at the moment fluctuating owing to the changes which have come upon our currency position in the week which has just passed. But the very nature of that change makes it all the more necessary that our internal financial position should be sound—for once a country's currency is cut adrift from the moorings of a stable standard such as Gold, it is particularly necessary to avoid getting into any sort of inflationary position resulting from a failure to balance current expenditure with current revenue. If we can convince the world that our internal budgetary and monetary position is sound, then with our favourable balance of trade we shall be able to preserve confidence in our currency and save the country from those disasters which some honourable members who spoke on Saturday professed to apprehend. Therefore we must take immediate steps to ensure clear and solid foundations for our internal position.

But the very fact that the steps must be immediate creates its own difficulties. In the first place we have to present to the Legislature an emergency plan with very short notice. I can assure the House that we do this with the greatest possible reluctance. We recognise that honourable members may be put to very great inconvenience by any sudden change in plans, but I am sure that they on their side will recognise that we must put the public interests first, and that if the public interests make it imperative to take a certain course of action, Government ought not to hesitate to ask the members of the Legislature to make any sacrifice involved. Nevertheless, when I have said this, I must also add that, so far as it is consistent with what we consider to be our duty as a Government, we will do our utmost to meet the convenience of honourable members. And in this respect I should like to say at the outset of my speech that we have taken account of the last portion of the motion of my honourable friend the Deputy President which was passed by a large majority in this House on Saturday, and that we are prepared to act on the suggestion which emanated from the non-official benches in the course of the debate on that motion.

We have to get through business which we consider to be in the national interest but our desire is to put it through in such a way as best suits the convenience of this House. We very much appreciate the tone and spirit in which Saturday's debate was conducted, and we believe that we can detect in the attitude of the whole House a desire to take a full share of responsibility in the present emergency. That there will be criticism of some of our proposals I cannot doubt, but I believe that it will be fair criticism—and fair and honest criticism we shall always welcome.

Then I come to the second of the difficulties to which I have referred resulting from the necessity for immediate action. It is quite clear that in present circumstances it is impossible to prepare accurate estimates of what our revenue is likely to be in the next 18 months. The course of the exchange value of sterling and of the rupee is uncertain, while no one can yet foretell what the reactions in the world of England going off the Gold Standard will be. I am sure that I shall be told in debate that in these circumstances it is not fair to come before the country with a programme of taxation ; or that my estimates are unreliable and that I cannot justify the taxes which I am proposing. But I have explained the reasons why we cannot wait, and I would most earnestly appeal to this House, and through them to the country, to respect those reasons. It has seemed to us that the only sound course is to take our estimates as we had been able to foresee them before the events of last week and to put before the House a plan which would produce equilibrium on the basis of those estimates.

Then there is another difficulty, resulting from immediate action, in that we have not yet had time fully to consider the reports of the various retrenchment committees and to work out plans based on them. Honourable members are aware of the circumstances in which these reports have been received. They were formally submitted on Saturday, 19th September. A sub-committee of Council commenced their consideration the very next day—Sunday. Then on Monday we found ourselves landed in the crisis which has been so much before the House in the past week, and further consideration of the reports has therefore been retarded. I shall have to deal with these reports in a later portion of my speech, but I should like to make clear at the outset that we shall approach all these proposals with the firm intention of giving effect to them to the utmost extent possible. I should also like at this early stage to express my great appreciation of the work which has been done by all the honourable members who have served on these committees. They have been working like slaves, or, as one honourable member put it to me at the last meeting of the main committee, " like devils," and I can assure the House that their labours are appreciated. I have every confidence that as a result of a general scaling down of expenditure which the recommendations of these committees, if carried out, will effect, the finances of the Government of India will be established on a more secure basis than has existed since before the war, and that by these efforts a position will have been produced which will not only make it possible to establish a new Federal Government on a sound foundation, but will leave a margin available for the development of those nation-building services for which the Provincial Governments will mainly be responsible. That, however, is looking to the future, and before we emerge from the dark and tangled jungle of our present difficulties into the clear air and sunlight to which I have cast my imagination forward, we have to accomplish a period of hard and self-sacrificing labour. I will not say unpleasant labour, for, although many of the immediate effects are unpleasant, I will not describe the task as a whole as unpleasant, for it is one which is essentially constructive in its nature, and merely involves self-restraint and determination for the sake of that India which we are serving, and in the hope of better times to come. Let us now address ourselves to the immediate task.

Revenue Prospects.

Tax revenue.—The returns of the first five months indicate that we shall fall short of our budget estimates for customs by at least Rs. 10 crores, the heaviest reductions being under cotton piecegoods, sugar, silver, spirits and liquor, excise on motor-spirit, iron and steel and in the jute export duty. As regards income-tax, we expect a deficit of $1\frac{1}{4}$ crores ; while on salt we expect a reduction of about 8 lakhs. This brings the total deficit on tax revenue to 11 crores 33 lakhs.

Commercial undertakings.—As regards the Railways, traffic returns to date show a very disquieting position. Without attempting to give an exact estimate now we must

clearly accept the fact that it will be impossible for the Railways, in spite of all their retrenchment measures, to make any general contribution to the budget until the present economic depression completely passes. At present it looks for the current year at least as if they will not only have to use the whole of the remaining balance of their reserves, now standing at Rs. 525 lakhs, but also to draw further on their depreciation fund to the extent of about Rs. 160 lakhs in order to meet the interest due on Government advances. It is highly important, if possible, to reduce freights on agricultural products at the present time, and, if it could be done, it would certainly be in the public interest to find a method for easing the Railway position through the present period of extreme depression. Whether it will be possible to relieve the Railways in any way so as to enable them to reduce charges remains to be seen ; but, when our taxation proposals are considered, this aspect of the position should be kept in mind. For the present I can only say that we shall not get any Railway contribution this year, and for this reason Rs. 5.36 crores drops out of our budget.

Under Posts and Telegraphs a fall of 18 lakhs is anticipated in revenue, after taking into account additional receipts from enhanced parcel rates and revised scale of fees for insurance of postal articles introduced with effect from the 15th June and 15th August 1931, respectively. A saving of 6 lakhs is expected under Working expenses, leaving a net deterioration of 12 lakhs. Honourable members will recollect that we estimated for a budget deficit of 147 lakhs, so that the position here is extremely unsatisfactory. If the recommendations of the committee presided over by my honourable friend, Sir Cowasjee Jehangir, for investigating the possibility of adjusting the accounts of the Posts and Telegraphs were accepted, the budget deficit of 147 lakhs would be reduced to 92, but that of course represents merely an adjustment in the Government accounts and no improvement as regards the financial position of the Government as a whole. I shall revert to this matter again.

Finance headings.—Owing to the cancellation of treasury bills in the Currency Reserve and the utilisation of sterling securities in the Reserves for meeting the requirements of the Secretary of State, the receipts under Currency and Interest show a falling off of 34 lakhs.

The emergence of a revenue deficit in our budget, and in the budgets of the Provincial Governments, and the replacement of treasury bills in the Curency Reserve by treasury bills in the hands of the public as a result of cancelling redundant currency, have not only increased the amount of our borrowings by treasury bills, but also have been the cause of higher discount rates. The charges for discount on treasury bills have therefore increased by 221 lakhs. A reduction of 12 lakhs is anticipated under Interest on ordinary debt in India on account of operations of the Depreciation Funds. The saving of 56 lakhs (representing one half-year's interest on the outstanding amount of the War Loan liability) realised from the acceptance of His Majesty's Government's proposal on the principle of the Hoover plan has been partly counterbalanced by the increase of 40 lakhs on interest on the sterling loan of £10 millions raised early in the year.

Owing to the deterioration in the position of Provincial Governments and the Railways, the charge under the heading Interest on other obligations on account of interest on their balances will be reduced by 10 lakhs.

There will be an automatic increase in the provision for Reduction or Avoidance of Debt of 12 lakhs on account of the amount of treasury bills outstanding with the public on the 31st March 1931, being 10 crores more than was assumed in the budget.

The net result of all these factors is that under the Finance headings our position will be adversely affected to the extent of 2.29 crores.

Under Extraordinary receipts we have to provide for a reduction of 23 lakhs, as under the Hoover plan we shall have to forgo 9 months' Reparations receipts. As already noted, however, we have, against this, a saving on the interest on our own War Debt of 56 lakhs.

Civil expenditure.—As regards Civil expenditure we have unfortunately some items which have not been provided for. These include exceptional items such as the loss owing to the heavy return of nickel coin from circulation due chiefly to the prevailing depression.

This accounts for no less than 43 lakhs which according to our practice has to be debited to the budget. Then again there is a good deal of expenditure in connection with the Round Table Conference and the various commissions of enquiry in the North-West Frontier Province and elsewhere which have had to be set up in order to carry out recommendations of the last Round Table Conference. As against these items we shall have some savings in the current year owing to reductions which have been made (apart from the special retrenchment proposals, to which I shall refer later); but these will probably not be sufficient to offset the items of deterioration which I have mentioned. On all these heads we feel it necessary to anticipate a deterioration of about 23 lakhs.

To sum up, the total deterioration in our income and expenditure is :—

11.33 crores in Tax revenue,
5.48 crores on Commercial departments,
2.29 crores on general Finance headings,
.23 crore under Extraordinary receipts,
.23 crore under other heads including Civil expenditure.

As the budget provided for a small surplus of 1 lakh, on the basis of the present estimates, there will be a net deficit of 19.55 crores.

Prospects for 1932-1933.—As far as we can see at present, there seems to be no justification for expecting any large improvement in the budgetary position next year. In fact, income-tax revenue may be considerably less than in the current year. On the other hand, there will be a saving of 48 lakhs in the interest payments on the outstanding amount of our War Loan liability.

I have already dealt with the factors of uncertainty which affect any estimate that we can give at present. But we consider that the only safe line to take now is to estimate that conditions will not substantially improve at least before the end of the next financial year, and that we must reckon again on a deficit of 19½ crores for 1932-33.

Putting the deficit for the current year and next year together, we have a gap to fill of 39.05 crores. If we are, straightaway, to establish a really sound position, we need to devise a plan which will provide us during the remainder of the combined two-year period, either with reductions in expenditure or with increased revenue to fill this gap. That is, indeed, a task of extreme difficulty. We have a two years deficit to deal with, but we have only 18 months left during which new measures can operate. Nor is even this period fully available, for, although new taxation can be made effective from the beginning, there must be some considerable delay before the full results of our retrenchment plans can be met.

Three lines of action.

This is the position, and the line of action which we have to take to deal with it may be divided into three distinct lines.

First, reductions in expenditure due to more economical organisation of Government departments and restriction of activities.

Secondly, an emergency cut in salaries.

Thirdly, fresh taxation.

Reduction in expenditure.—I will deal first with reductions in expenditure, and I put this first because honourable members know that I have throughout attached primary importance to this line of action. I may say that after the last budget discussions I registered to myself a resolution that I would not come before this House and ask them to vote any fresh taxes until I could feel myself to be in a position to satisfy them that we, on the Government side, were going to give effect to the maximum possible measures of retrenchment. In these circumstances I am sure all honourable members will appreciate that if I

put forward the whole of our present programme at a time when the Government has not yet completely worked out its retrenchment plans, so that all the details cannot be displayed before the House, I do so only under the compelling hand of necessity. But I would ask them also to appreciate that it is only the details which are lacking, and that we are determined, as I have already said, to approach all these proposals with the firm intention of giving effect to them to the utmost extent possible. Variations in subsidiary matters there must be, and where essential public interests are concerned Government must have time to weigh fully the considerations at stake, but our aim and intention is to adhere as closely as possible to the recommendations of the committees. I hope that before the discussions of our present proposals are finished and before the House is asked to record any final vote as regards new taxation, we shall be able to put before them a more definite and detailed plan. I feel that honourable members are entitled to ask for this, and that we have no justification in putting plans for taxation before them except under the most solemn pledge of effecting the maximum reduction of expenditure. I feel no hesitation in taking this line because it is the right line in the public interest. Any improvement that we can effect by way of reduction of expenditure is a certain improvement; but any improvement that we seek to make by increasing taxation depends entirely on our estimates being realised, and, in the present conditions, with reduced purchasing power, and when the effects of the reduced gold value of the rupee on imports are still unknown, estimates, particularly of customs revenue, are, to say the least, highly uncertain. Having said this I will turn to a statement of what we expect to achieve by way of retrenchment, and I will be as definite as possible.

As regards Civil expenditure, apart from commercial departments, an enormously preponderating portion falls within the scope of the General Purposes Sub-Committee. The General Purposes Sub-Committee took up first a selected set of subjects which *prima facie* offered the most likely scope for retrenchment. The measures recommended by the sub-committee for this portion of the field would produce savings estimated at about 120 lakhs. For my present purposes I am taking as the estimated saving, this figure, reduced by a margin of 20 lakhs, representing what we estimate may be the charge for compensation and recurrent pensions payable in respect of officials whose posts are abolished. Thus we reckon to get a net saving of about a crore on this part of the field. We have also to take into account the grants for those departments (largely the main administrative and revenue-collecting departments) which have not yet been examined by the General Purposes Sub-Committee. Over this part of the field the scope for retrenchment is more restricted. In respect of it we estimate that we shall be able to effect a net saving of about 90 lakhs, including an automatic drop of about 23½ lakhs in the expenditure on Census operations, but taking into account something for compensations, etc. This is only an estimate, and in making it we have anticipated that the sub-committee will be guided by the same principles that they have applied in dealing with other departments. While it is necessary for me to put in some estimated figure for my present purpose, we rely on the help and recommendations of the General Purposes Sub-Committee in regard to these departments just as much as we have relied on them for those which have already been examined. If they can find economies of greater extent than we have estimated, so much the better. If their final recommendations fall short of our figure, then we shall have that much to make up in some way or other. The difference can hardly be of such magnitude as to affect our general plan, and when I have completed my presentation of the general plan it will I think be clear that there is sufficient margin available.

Recommendations of the other retrenchment sub-committees (other than those for Railways and the Army) indicate measures for improving the Civil position for 1932-33, as compared with the budget for the present year, by a gross sum of about 97 lakhs. Taking into account compensations, etc., we propose to count on a net improvement of 60 lakhs under these grants.

Out of the retrenchment measures to which I have referred we expect to realise savings of about 30 lakhs in the current year.

Military expenditure.—Now I come to the Army—and before I get to details I must make some general remarks. I have in the past incurred some criticism in this House for venturing to express my appreciation of the helpful way in which I had been met by His

Excellency the Commander-in-Chief and his principal staff officers. I am as little anxious as any member of a Government could be to expose gratuitous targets for attack, but I should fail in my duty, and I might even say in all sense of decency, if I did not take this occasion to express publicly what I feel about the way in which the Army authorities have helped in the past months. I am sure the members of the Army Retrenchment Sub-Committee who are present here to-day will not quarrel with me when I say that they have been impressed with both the efficiency and helpfulness of the Chief Staff officers whom they have seen. To unofficial members of this House the Army has hitherto been a closed book. It has been fully opened now, at least to the members who have been on the Retrenchment Committee. I think that they have been impressed by what they have read in it, and that discussions on the Army will hereafter be conducted in a clearer atmosphere and with better understanding on both sides.

The military authorities have been working throughout in very close touch with their Retrenchment Sub-Committee, and have been examining all possible methods of economy. The great majority of the measures proposed by the Committee have been accepted in principle; indeed many of them had already been initiated by the military authorities. We have given His Excellency the Commander-in-Chief a free hand as to the methods by which retrenchment should be effected with the minimum loss of efficiency. The Army Retrenchment Committee has not yet explored all parts of the field and estimates have had to be included for the savings here. There is therefore possibly some room for further improvement while some of the measures recommended may lead to greater reductions in future years. For the present the Army authorities guarantee for next year a net reduction of 4½ crores. These reductions, therefore, for which we hope, will produce a net defence budget for 1932-33 of Rs. 47.40 crores, as compared with Rs. 51.90 in the current year, and with the stabilised budget figure of Rs. 55 crores two years ago.

In mentioning this figure, I must make it clear that :—

(*a*) It includes a reduction of Rs. 1.75 crores of non-recurring expenditure on the special programme of re-equipment which, though very necessary and important from the point of view of efficiency, His Excellency the Commander-in-Chief has, in view of the present financial crisis, agreed to postpone.

(*b*) It does not include any allowance for cuts in officers' pay. I shall deal with the possibilities from this separately.

(*c*) It does not include any savings which may accrue from reduction of troops, except that of a small reduction on the Frontier.

In accordance with resolutions of the Round Table Conference, the question of the future strength of the Army in India is under examination by the Committee of Imperial Defence.

What this really amounts to is that in two years without impairing the strength of the fighting forces, without taking into account the possibilities of a temporary cut in officers' pay, Army expenditure will have been reduced from 55 crores to 47.40 crores. This, Sir, is I submit no mean achievement ; it has been done quietly, and without the imposition or display of Royal Commissions. It has been achieved by hard patient work and co-operation between the Army Department, the Finance Department and the chosen representatives of this Assembly. That, I submit, is the right way to work out economies, and brings credit on all concerned.

Emergency cuts in pay.—I now come to the difficult question of an emergency cut in pay. Let me state at the outset the general conclusions reached by the Government as part of the plan which I am now presenting.

These are :—

First, that any cut applied must be general and on a fair basis.

Secondly, that it should be of a temporary nature not extended beyond the need of the present exceptional emergency. Its justification is in the need for a common sacrifice in a national emergency. Although it may be said that the subordinate ranks have gained from the low level of prices, there is as yet no proof of a substantial fall in the cost of living of many classes of Government servants.

Thirdly, that it should not in any way affect pension or provident fund rights.

We have given a great deal of thought to the way in which a cut should be applied, and after the most searching consideration of all sorts of graduated scales we have come to the following conclusions.

We think, first, that a simple plan is best, and that although it may be necessary to exempt pay below a certain low limit at the bottom, a uniform scale is really the fairest and best in the public interest.

We consider that the rate should not exceed 10 per cent. in any individual case, and that, as I shall explain later, this should include the enhancement of income-tax now proposed. For the general Government services we think that the limit of exemption should ordinarily be about Rs. 40—perhaps a bit higher, perhaps a bit lower. I ought, however, to mention that special considerations may have to be applied to a great commercial undertaking like the Railways, but the maximum will not be exceeded in any case.

I may, however, here interpose that I am pleased to be able to say that His Excellency the Viceroy has decided that he will impose upon himself a cut of 20 per cent., and that for ourselves, the members of his Council, we will surrender 15 per cent. of our pay.

The action to be taken by Provincial Governments in regard to officers within their rule-making powers will be for their own decision, but we have little doubt that they will recognise the desirability of attaining throughout India as large a measure of uniformity as possible. In this connection I may mention that uniformity is particularly desirable in the Police service, and since local Governments are far more concerned in this matter than the Central Government, we shall not reach final conclusions in this case until after further consultation with them.

I must also refer to the fact that it does not lie within the power of the Government of India to take decisions as regards all the officers within its service. Certain officers have been guaranteed their rights under the Government of India Act and these cannot be altered without legislation in the British Parliament. As regards other officers, their position is governed by Fundamental Rule 23, and can only be altered under rules made by the proper authorities. For the great bulk of officers, the rule-making power now lies with the Government of India and local Governments, subject to the sanction of the Secretary of State in Council. There are certain officers, however, in regard to whom the Secretary of State in Council has himself to make the rules. The position is, that we have received the assurance of the Secretary of State that he will sanction the rules which we, or Provincial Governments, may make in those cases where we or they have the power. Further, in regard to officers protected by the Government of India Act, or in regard to whom the Secretary of State has himself to make rules, I am authorised to say that His Majesty's Government are satisfied that a financial necessity exists amounting to a national emergency, which requires that a reduction should be made in pay, and that His Majesty's Government have undertaken to introduce legislation in Parliament at the first practicable opportunity. The legislation would be of an emergency character, and would authorise the Secretary of State in Council to reduce the salaries of officers protected under the Government of India Act for a limited period and subject to a maximum of 10 per cent. which would be inclusive of the enhancement of income-tax contained in my present financial proposals and subject to a discretionary power for the Secretary of State in Council to make exceptions in cases of hardship. It would apply to the special class of protected officers serving under local Governments as well as under the Government of India Act. Officers not specifically protected by the Government of India Act, but in regard to whom the Secretary of State has himself to make rules, would be treated on the same lines as the protected officers.

This is a general description of our plan, and we shall explain our proposals in greater detail at a later stage in the discussions on the Finance Bill—particularly as regards the exemptions which may be made in the lowest grades.

We think that it should be practicable to impose the cuts from December 1st next. It must be clearly explained that there is no intention that they should remain operative beyond March 31, 1933. They will not be continued beyond that date without further examination of economic conditions; and if economic conditions so required or permitted, we should re-consider them before that date.

And that brings me to a point of essential importance in this matter. A cut of this nature must be regarded as a very exceptional measure which can only be justified in very exceptional circumstances. It is nothing less than a direct variation of the conditions under which an officer enters the Government service, and it must be remembered that the security of these conditions represents an essential attraction of service under a government. It would be fatal to the public interest if that sense of security were destroyed. Therefore no variation can be justified except in a real national emergency and when it is quite clear that all other measures have been fully tried. Even so it is necessary to examine the case still further. We must test the emergency by an examination of the causes which have created it. In the present case it was clear that the emergency had arisen from an unprecedented fall in prices of those commodities which India produces and on which the revenue of the country depends. The value of commodities had fallen too low in terms of money, the value of money had gone up too high. But in the last days a change has been made in the basis on which the value of our money, or our unit of currency, depends. The results of this, or of any general economic recovery producing an improvement in the revenue position, may make it necessary to re-consider the justification and necessity for this cut. It is of course clear that a general decline in the gold value of the rupee would affect all servants of Government alike, while I might further mention incidentally that if, on the other hand, the rupee had been detached from sterling and the value of the rupee had either appreciated or declined in relation to sterling, there would have been some difference in the case of certain classes of officers of which Government would have had to take account.

However that may be, or might have been, what I have to say now is that in the conditions on which we have to base our present estimates, we and His Majesty's Government consider an emergency cut on the lines already indicated to be absolutely essential.

As regards the financial effect of cuts on the scale which we propose, I have estimated the position roughly as follows for the purpose of my present financial plan.

Civil.—We put the total saving for 1932-33 at 115 lakhs, and for the four months from December 1st of the current year at 35 lakhs. This includes savings on the personnel of the Posts and Telegraphs Department.

Railways.—The saving on Railways will be very substantial. I refrain from giving an exact figure pending the final settlement of a plan. In any case it will not directly affect my present proposals, for we consider that any saving effected by a cut in pay on the Railways must be utilised to improve their own internal position, and that it cannot be translated into any improvement of general revenues. As I have already stated, a cut in fact will only be justifiable during the continuance of the present emergency, and during such period we cannot in any case rely on receiving any general contribution from the Railways. It is in our opinion essential that if they have any margin it should be made available for reduction in freights on agricultural products.

Army.—As regards Army officers, the same cut would apply to them as to Civil officers of the Government. We estimate a saving of 75 lakhs in 1932-33 and 25 lakhs for the four months of the current year from December 1st. I may note that if this saving is effected it will reduce the expenditure of the Army next year to 46.65 crores.

Abolition of salt credit system.—I have now dealt with the first two lines of action, first, General Retrenchment; secondly, cuts in pay; and before I come to the third—which

is new taxation—I have to mention another measure which is in the nature of an expedient to improve our revenue position over the next 18 months.

We have been studying since the end of the last Budget session the possibility of effecting an immediate increase in our salt revenue by reducing or abolishing the credit system. After careful examination of the question in consultation with the officers of the Salt Department, we came to the conclusion that, subject to giving fair notice to trade, we might justifiably terminate credits altogether. We have accordingly notified the gradual termination of the system by limiting credits to 3 months as from the 1st October 1931, and discontinuing the grant of new credits altogether from the 1st March 1932. This means that we shall actually collect in the current year and again in next year 15 instead of 12 months' revenue on all salt issued under the credit system. I expect our revenue will be increased by one crore each year on this account. This of course involves no real increase either in taxation or revenue. It only means that we shall, during the next 18 months collect 24 months' revenue on credit salt. After that we shall be entirely on a cash basis.

Taxation.—I must now turn to the third measure—new taxation. Here our plan is very simple, and though unpleasant, I hope that honourable members will on the whole recognise it as fair.

General surcharge.—The main plank of our proposals is to put a temporary surcharge on all existing taxes, with the exception of customs export duties, for these could not without detriment to our export trade be included. With this exception, the surcharge will apply to all customs and excise duties (including salt) and to the income-tax and super-tax. The surcharge which we propose is 25 per cent. on the exsiting rates in each case.

The principle is uniform, but as regards the income-tax there is an administrative difficulty inasmuch as the tax, although only imposed as from October 1st, has to be collected on a 12 months' basis. It would lead to great hardship in case of salaries or other income taxed at the source if we were to supplement deductions already made by a retrospective increase at the full rate of 25 per cent. Therefore we propose that the surcharge for the current year should be 12½ per cent. on income-tax, but it will be collected at this rate on the whole year's income.

New taxes.—Apart from these general surcharges, we are forced to include certain new taxes. As regards income-tax, we consider that in this emergency there is justification for reducing the exemption limit and imposing a small tax of 4 pies in the rupee on incomes between Rs. 1,000 and Rs. 2,000 per annum. For the same reasons as I have explained already in connection with the surcharge on the existing income-tax, the rate will be imposed at 2 pies for the current year and 4 pies for next year.

The remaining special increases or new taxes which we propose are in regard to import duties. I will deal first with the increases in existing duties.

We propose to increase the import duty on artificial silk piecegoods from 20 to 40 per cent. and on artificial silk yarn from 10 per cent. to 15 per cent. We also propose to increase the duty on brown sugar from Rs. 6-12-0 to Rs. 7-4-0 per cwt. This follows the Tariff Board's recommendation. As regards boots and shoes, we propose that there should be imposed as an alternative to the 20 per cent. duty a minimum of 4 annas per pair. The duty will thus be 20 per cent. or 4 annas a pair whichever is the higher. We also propose to increase the duty on camphor and on electric bulbs from 20 to 40 per cent. As regards all these articles the surcharge will be levied on the increased duty.

Then there are three items formerly on the free list on which we think it justifiable to impose a small duty on revenue grounds. The result of the surcharges imposed in last Budget and proposed now is that the level of the general revenue tariff has been increased from 15 to 25 per cent. There is, therefore, some justification for adding a 10 per cent. duty to articles hitherto free.

We propose to put duties of 10 per cent. on machinery and dyes, and of ½ anna per lb. on raw cotton. I must expect criticism of these duties especially from the cotton mills, and I must acknowledge that their imposition may appear to be in some ways inconsistent with previous policy. The justification must be the need for revenue, while as regards the cotton mills we may claim that on balance their position will be improved by our surcharge proposals, for under these the import duties on cotton piecegoods will be increased by one quarter. This more than offsets the burden of ½ anna per lb. on goods made from imported cotton, and affords an effective answer to possible criticisms on the grounds to which I have referred

I have one more word to say as regards the income-tax proposals. In considering the cut to be applied to the salaries of Government officials we considered what total reduction of their emoluments could fairly be imposed. If the general rate of reduction is to be 10 per cent., that represents what we think fair, and if further increases of income-tax were to be added, that would go beyond the reasonable limit. We therefore propose that increases of income-tax, both by way of surcharge on existing rates or by way of imposition of a tax for the first time on salaries from Rs. 1,000 to Rs. 2,000 should be merged in any general cut which we are imposing or which the Provincial Governments may impose.

Postal rates.—Apart from measures of taxation we propose some enhancement of the inland postal rates, namely to increase the existing rates in respect of letters and postcards by one-half. That is, the rates for inland postal letters will be 1½ annas instead of 1 anna and for postcards 9 pies instead of 6 pies. This enhancement should produce 73 lakhs in a full year and should go a long way to cover the deficit of 92 lakhs in the working results of the department which would, as I stated before, be left even if the recommendations of the Posts and Telegraphs Accounts Enquiry Committee are accepted.

Summary of the plans.

I may now summarise the effects of all these plans.

For the current year we shall improve the position as follows :—

(Figures in lakhs of rupees.)

Special retrenchment programme	30	
Cuts in pay—		
Civil	35	
Military	25	
Total cuts and retrenchment		90
Anticipation of salt revenue		100
Extra taxation—		
Customs—		
New or increased duties	154	
Surcharges on existing taxes	331	
Salt—Surcharge	21	
Income-tax nett	205	
Total new taxation		711
Increased Post and Telegraph charges		37
The total improvement is thus		938
Against an estimated deficit of		19,55
We should thus close the year with a deficit of		10,17

On the other hand, in 1932-33 we should have the following improvements :—

Retrenchment measures—		
Civil	250	
Military	450	
Cuts in pay—		
Civil	115	
Military	75	
Total cuts and retrenchment		890

(Figures in lakhs of rupees.)

Anticipation of salt revenue		100
Extra taxation—		
Customs—		
New or increased duties	310	
Surcharges on existing taxes	662	
Salt—surcharge	85	
Income-tax—nett	353	14,10
Increased Post and Telegraph charges		73
The total improvement is thus		24,73
Against an estimated deficit of		19,50
We should thus close the year with a surplus of		5,23

We should thus close the current year with a deficit of 10,17 and the next year with a surplus of 5,23.

That is to say, the combined result of the two years will be a deficit of 4,94.

We consider that we are justified in regarding this deficit as covered by making during this period of exceptional stress a reduction of about 247 in each year from the provision for Reduction or Avoidance of Debt. Even after making this deduction, this provision will amount to 4,43 in the current year and about 4,68 in 1932-33. When it is remembered that the portion of our debt which is not covered by productive assets or cash balances is no more than 194 crores this may fairly be claimed as an adequate Sinking Fund allocation during a period of exceptional depression.

But I may put the position in another way which throws up in a still more favourable light what we are proposing. I have explained that on present estimates the combined deficit for the two years is just over 39.05 crores. We may fairly say that half the current year's deficit has already been incurred—say about 9.80 crores. If we look at our task as one of having to make a new budget for 18 months, starting with October 1st, we should have to find means for filling a gap of 29.25 crores. We are actually providing for finding improvements of 34.11 crores over the next 18 months. Therefore we are not only providing a balance for that period, but we should have a surplus of 4.86 crores towards making up the deficit of 9.80 crores on the first half of the current year.

If these forecasts are fulfilled, then even if there is no improvement in the economic position, the Finance Member, when he presents the budget for 1933-34, will find himself in possession of a surplus of 5.23 crores and he will be able to make a substantial easing of the burdens.

It is perhaps forecasting events too much to say in what order these reductions should be made. But there are certain principles which we consider must be observed. Relief must come first in restoring the emergency cuts in pay and secondly in taking off the surcharge on the income-tax now to be imposed. I think we may predict with as much certainty as is possible for any such forecasts that these special impositions will not in any case be extended beyond March 31, 1933.

This is the picture, but I must add a few words before I leave it. Much will be said about the increase in the burdens of taxation. But I want the public to appreciate that we are not so much increasing the total amounts of taxes levied as providing by increasing the rates for collecting the same amount of revenue.

Our difficulties have not in any way been caused by an increase in expenditure. Quite the contrary. We have in fact to face three things—a drop in the yield of the current taxes, a drop in the revenues from commercial departments, and a deterioration under the Finance headings. The first we meet mainly by increasing the rates of the taxes; and the last two by retrenchments. I want Honourable Members to give particular attention to a table which I will circulate with copies of my speech in which I analyse expenditure and revenue

and show in parallel columns tax revenue and net administrative expenditure. By the latter I mean the net expenditure on the Army and all other heads charged to revenue with the exception of the debt services. They will find here the true record of our achievements and proposals. This figure of net administrative expenditure will, according to our plans, have proceeded as follows :—

(Figures in crores of rupees.)

1930-31	79.67
1931-32	74.66
1932-33	65.95

If this can really be achieved, then we shall be able to congratulate ourselves on having put matters on a really sound basis.

Conclusion.

Then I want to add something as to the reasons for the present measures. I referred at the outset of my speech to the dangers, now that we are divorced from a gold standard, of any inflationary action for the purposes of meeting the current expenditure of the Government. If once that process starts, it may be impossible to save the country from a complete collapse of its currency. That has been the experience of all countries whose currencies collapsed after the War. They all went through the same process. Budgetary deficits, met first by borrowing; then a reluctance of the public to subscribe to government loans or treasury bills ; then recourse to the note-printing press and inflation to provide funds to meet current public expenditure ; then collapse in confidence in the currency, notes printed faster and faster until the amounts reached astronomical figures, and finally the complete disappearance of any value to the currency at all. *We want to erect a solid barrier against the possibility of India getting on to that slippery slope.* That is the essential justification for our proposals. We have heard much talk in the last days about the disappearance of our currency reserves. But no currency reserve can be large enough to stand up against a lack of confidence in the currency. Reserves are only valuable to tide over temporary difficulties. The real safeguard must be confidence in the soundness of a country's financial situation. If a country meets current expenditure with current revenue, and if, further, it has a favourable balance of trade, then it can face all the vicissitudes of fortune with confidence, and its actual currency reserves are of minor importance.

That brings me to the last thing which I have to say to-day. I know that our proposals of taxation will be criticised. But I will appeal to all critics, either in this House or outside it, not to criticise them hastily or unfairly. We believe that we are doing the right thing for India—that in these critical times, and looking to the years before us, when we have to meet heavy loan maturities both external and internal, the matter of vital importance is to preserve the trust of the public of India and elsewhere in the soundness of our financial position. Let honourable members, by all means, examine our proposals with searching criticism, but I would appeal to them, with all the emphasis which I can command, to do or say nothing which will lead the outside world to suppose that they have not a full sense of their responsibility, or that they do not believe that the paramount duty of every man, who has India's interest at heart, and who can in any way influence the situation, is to preserve intact that financial stability on which the whole fabric of the country's life depends.

The 29th September 1931. GEORGE SCHUSTER.

A Bill to Supplement the Indian Finance Act, 1931, and to extend the operation of its temporary provisions.

WHEREAS it is expedient to supplement the Indian Finance Act, 1931, and to extend the operation of its temporary provisions to the financial year beginning on the 1st April, 1932 ; It is hereby enacted as follows :—

1. *Short title.*—This Act may be called the Indian Finance (Supplementary and Extending) Act, 1931.

2. *Extension to the next financial year of the operation of the temporary provisions of the Indian Finance Act,* 1931.—The operation of section 2 of the Indian Finance Act, 1931, fixing the rate of salt duty for the year beginning the 1st April, 1931, of section 5 of the said Act and the Third Schedule thereto as amended by section 6 of this Act, fixing inland postage rates for the said year, and of section 7 of the said Act and the Fourth Schedule thereto as amended by sections 7, 8 and 9 of this Act, fixing rates of income-tax and super-tax for the said year, is hereby extended to the 31st day of March, 1933.

3. *Amendment of the Second Schedules to the Indian Tariff Act,* 1894, *and the Indian Finance Act,* 1931.—(1) The amendments specified in Part I of Schedule I to this Act shall be made in Schedule II to the Indian Tariff Act, 1894.

(2) The amendment specified in Part II of Schedule I to this Act shall be made in Schedule II to the Indian Finance Act, 1931.

4. *Additional customs duties.*—Where any goods chargeable with a duty of customs under Part II, Part IV, Part V, Part VI or Part VII of Schedule II to the Indian Tariff Act, 1894, as amended by section 3, or under any of the said Parts read with any other enactment or with any notification of the Governor-General in Council for the time being in force, are assessed to duty, there shall be levied and collected as an addition to and in the same manner as the total amount so chargeable, a sum equal to one quarter of such total amount :

Provided that salt chargeable with duty under Item No. 35 of the said Part II shall not be liable to two such additions of duty :

Provided further that such addition of duty shall not be levied and collected on—

(*a*) raw cotton, comprised in Item No. 41A,
(*b*) dyes and colours, comprised in Item No. 58A, or
(*c*) machinery, comprised in Items Nos. 59A, 59B, 59C and 59D,

of the said Schedule as amended by section 3.

5. *Additional excise and other duties.*—Where any salt, motor spirit, kerosene or silver chargeable with duty under the Indian Salt Act, 1882, or under the Motor Spirit (Duties) Act, 1917, or under the Indian Finance Act, 1922, or under the Silver (Excise Duty) Act, 1930, or under any of the said Acts read with any other enactment or with any notification of the Governor-General in Council for the time being in force, is assessed to duty, there shall be levied and collected, as an addition to and in the same manner as the total amount so chargeable, a sum equal to one quarter of such total amount.

6. *Increase of certain inland postage rates.*—In section 5 of the Indian Finance Act, 1931, the following proviso shall be added, namely :—

" Provided that from a date to be appointed in this behalf by the Governor-General in Council, by notification in the *Gazette of India*, each rate specified in the said Schedule in respect of letters and post-cards shall be increased by one half of its amount."

7. *Lowering of limits of total income liable to income-tax.*—(1) In Part I of Schedule IV to the Indian Finance Act, 1931, for the item—

" When the total income is less than Rs. 2,000 .. .. *Nil.*"

the following shall be substituted, namely :—

" When the total income is Rs. 1,000 or upwards but is less than Rs. 2,000 .. .. Four pies in the rupee " :

Provided that for the year beginning on the 1st day of April, 1931, the rate chargeable on any such total income shall be two pies in the rupee only.

(2) For the purpose of assessing and collecting the tax imposed by the proviso to sub-section (1),—

(*a*) the Indian Income-tax Act, 1922, shall be deemed to be subject to the adaptations set out in Part I of Schedule II to this Act, and

(*b*) the Central Board of Revenue may make rules—

(*i*) making such further adaptations in the Indian Income-tax Act, 1922, as may seem to it to be necessary to secure that the tax shall be equitably levied, and

(*ii*) regulating the procedure of income-tax authorities in securing the assessment and collection of the tax and the granting of refunds arising therefrom.

8. *Additional income-tax and super-tax for the current financial year.*—(1) In respect of the year beginning on the 1st day of April, 1931, each rate of income-tax and super-tax specified in Schedule IV to the Indian Finance Act, 1931, excluding the rate imposed by section 7, shall be increased by one-eighth of its amount.

(2) For the purpose of assessing and collecting the additional tax imposed by sub-section (1),—

(*a*) the Indian Income-tax Act, 1922, shall be deemed to be subject to the adaptations set out in Part II of Schedule II to this Act, and

(*b*) the Central Board of Revenue may make rules—

(*i*) making such further adaptations in the Indian Income-tax Act, 1922, as may seem to it to be necessary to secure that the additional tax shall be equitably levied, and

(*ii*) regulating the procedure of income-tax authorities in securing the assessment and collection of the tax and the granting of refunds arising therefrom.

9. *Additional income-tax and super-tax for the next financial year.*—In respect of the year beginning on the 1st day of April, 1932, each rate of income-tax and super-tax specified in Schedule IV to the Indian Finance Act, 1931, excluding the rate imposed by section 7, shall be increased by one-fourth of its amount.

10. *Amendment of section* 19, *Act X of* 1923.—In sub-section (7) of section 19 of the Indian Paper Currency Act, 1923, for the figures "1932" the figures "1933" shall be substituted.

It is hereby declared that it is expedient in the public interest that clauses 3, 4 and 5 of this Bill should have immediate effect under the Provisional Collection of Taxes Act, 1931.

SCHEDULE I.

[*See* section 3.]

PART I.

Amendments to be made in Schedule II of the Indian Tariff Act, 1894.

1. Item No. 7 shall be deleted.

2. In Part I, the heading " DYES AND COLOURS " and item No. 14C shall be omitted.

3. In Part I, the heading " MACHINERY," and Items Nos. 18A, 18B, 18C and 18D shall be omitted.

4. In Item No. 27A, for the figures " 1-4 " in the last column the words " One rupee " shall be substituted.

5. In Item No. 34,—

(*a*) in sub-item (1), for the figures " 23 " the figure 8 shall be substituted ;
(*b*) sub-item (2) shall be omitted ; and
(*c*) sub-items (3) and (4) shall be re-numbered as sub-items (2) and (3).

6. After Item No. 41, and under the general head " *II.—Raw Materials and produce and articles mainly unmanufactured,*" the following heading and item shall be inserted, namely :—

" TEXTILE MATERIALS.

41A	COTTON, raw ..	Pound.. ..	Six pies."

7. In Part II, under the general head " *III.—Articles wholly or mainly manufactured,*" the following heading and item shall be inserted, namely :—

" APPAREL.

41B	BOOTS AND SHOES ..	*Ad valorem* ..	20 per cent. or 4 annas per pair, whichever is higher."

8. In Item No. 43C, for the figures " 7½ " in the last column, the figures " 12½ " shall be substituted.

9. In Item No. 45A, after the word " silk," wherever it occurs, the words " or artificial silk " shall be inserted.

10. In Part IV, under the general head " *III.—Articles wholly or mainly manufactured,*" the following heading and item shall be inserted, namely :—

" DYES AND COLOURS.

58A.—DYES derived from coal-tar, and coal-tar derivatives used in any dyeing process."

11. After Item No. 59, the following heading and items shall be inserted, namely :—

" MACHINERY.

59A.—MACHINERY, namely, such of the following articles as are not otherwise specified :—

(1) prime-movers, boilers, locomotive engines and tenders for the same, portable engines (including power-driven road rollers, fire engines and tractors), and other machines in which the prime-mover is not separable from the operative parts ;

(2) machines and sets of machines to be worked by electric, steam, water, fire or other power, not being manual or animal labour, or which before being brought into use require to be fixed with reference to other moving parts ;

(3) apparatus and appliances, not to be operated by manual or animal labour, which are designed for use in an industrial system as parts indispensable for its operation and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose ;

(4) control gear, self-acting or otherwise, and transmission-gear designed for use with any machinery above specified, including belting of all materials other than cotton, hair and canvas ply and driving chains, but excluding driving ropes not made of cotton ;

(5) bare hard-drawn electrolytic copper wires and cables and other electrical wires and cables, insulated or not, and poles, troughs, conduits and insulators designed as parts of a transmission system, and the fittings thereof.

Note.—The term ' industrial system ' used in sub-clause (3) means an installation designed to be employed directly in the performance of any process or series of processes necessary for the manufacture, production or extraction of any commodity.

59B.—The following TEXTILE MACHINERY AND APPARATUS by whatever power operated, namely, healds, heald cords and heald knitting needles ; reeds and shuttles ; warp and weft preparation machinery and looms ; bobbins and pirns ; dobbies ; Jacquard machines ; Jacquard harness linen cards ; Jacquard cards ; punching plates for Jacquard cards ; warping mills ; multiples box sleys ; solid border sleys ; tape sleys ; swivel sleys ; tape looms ; wool carding machines ; wool spinning machines ; hosiery machinery ; coir mat shearing machines ; coir fibre willowing machines ; heald knitting machines ; dobby cards ; lattices and lags for dobbies ; wooden winders ; silk looms ; silk throwing and reeling machines ; cotton yarn reeling machines ; sizing machines ; doubling machines ; silk twisting machines ; cone winding machines ; piano card cutting machines ; harness building frames ; card lacing frames ; drawing and denting hooks ; sewing thread balls making machines ; cumbli finishing machinery ; hank boilers ; cotton carding and spinning machines ; mail eyes, lingoes, comber boards and comber board frames ; take-up motions ; temples and pickers ; picking bands ; picking sticks ; printing machines ; roller cloth ; clearer cloth ; sizing flannel ; and roller skins.

59C.—PRINTING AND LITHOGRAPHIC MATERIAL, namely, presses, lithographic plates, composing sticks, chases, imposing tables, lithographic stones, stereo-blocks, wood blocks, half-tone blocks, electrotype blocks, process blocks and highly polished copper or zinc sheets specially prepared for making process blocks, roller moulds, roller frames and stocks, roller composition, lithographic nap rollers, standing screw and hot presses, perforating machines, gold blocking presses, galley presses, proof presses, arming presses, copper plate printing presses, rolling presses, ruling machines, ruling pen making machines, lead cutters, rule cutters, slug cutters, type casting machines, type setting and casting machines, paper in rolls with side perforations to be used after further perforation for type-casting, rule bending machines, rule mitreing machines, bronzing machines, stereotyping apparatus, paper folding machines, paging machines and clarified liquid glue but excluding ink and paper.

59D.—COMPONENT PARTS OF MACHINERY, as defined in Nos. 59A, 59B and 59C, namely, such parts only as are essential for the working of the machine or apparatus and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose :

Provided that articles which do not satisfy this condition shall also be deemed to be component parts of the machine to which they belong if they are essential to its operation and are imported with it in such quantities as may appear to the Collector of Customs to be reasonable."

12. In Item No. 85,—

(*a*) the words " boots and shoes " shall be omitted ;
(*b*) after the words "silk mixtures" the words " or of artificial silk or artificial silk mixtures, and boots and shoes " shall be added.

13. In Item No. 100, after the word " silk," wherever it occurs, except in the seventh sub-item, the words " or artificial silk " shall be inserted.

14. In Item No. 100A, after the word " silk," wherever it occurs, the words " or artificial silk " shall be inserted.

15. After Item No. 126, the following heading and item shall be inserted, namely :—

" CHEMICAL DRUGS AND MEDICINES.

127.—CAMPHOR."

16. After Item No. 128, the following item shall be inserted, namely :—

" 128A.—ELECTRIC BULBS."

17. In Item No. 133, after the word " silk," wherever it occurs, the words " or artificial silk " shall be inserted.

PART II.

Amendment to be made in Schedule II to the Indian Finance Act, 1931.

In the entry relating to " Part IV, Nos. 58 to 64 inclusive," for the words in the second column the following shall be substituted, namely :—

" All articles for the time being included in Part IV of the Second Schedule, except—

(1) Dyes and Colours comprised in item No. 58A, and

(2) Machinery, comprised in Items Nos. 59A, 59B, 59C, and 59D."

SCHEDULE II.

Adaptations of the Indian Income-tax Act, 1922.

PART I.

(*See* section 7.)

Adaptations for the assessment and collection of income-tax in the current financial year on total incomes of Rs. 1,000 *and upward and less than* Rs. 2,000.

1. For the purposes of the proviso to sub-section (2) of section 18 of the Indian Income-tax Act, 1922, any person responsible for paying any income less than Rs. 2,000 chargeable under the head " Salaries " shall be deemed to have failed to deduct income-tax at the time of making all payments made before the commencement of this Act, and such person may make the adjustments permitted by that proviso.

2. Notwithstanding that the Income-tax Officer has assessed the total income of an assessee under section 23 of the Indian Income-tax Act, 1922, and has found that nothing is payable thereon, he may proceed to determine the sum payable by such assessee by virtue of section 7 of this Act, and such sum shall, for the purposes of the Indian Income-tax Act, 1922, be deemed to be a sum determined under section 23 of that Act.

PART II.

(*See* section 8.)

Adaptations for the assessment and collection of additional income-tax and super-tax in the current financial year.

1. For the purposes of the proviso to sub-section (2) of section 18 of the Indian Income-tax Act, 1922, any person responsible for paying any income chargeable under the head "Salaries" shall be deemed to have made a deficient deduction in respect of the additional income-tax imposed by section 8 of this Act at the time of making all payments made before the commencement of this Act, and such person may make the adjustments permitted by that proviso.

2. Notwithstanding that the Income-tax Officer has assessed the total income of an assessee and has determined the sum payable thereon under section 23 of the Indian Income-tax Act, 1922, he may proceed to determine the further sum payable by such assessee by virtue of section 8 of this Act, and such further sum shall, for the purposes of the Indian Income-tax Act, 1922, be deemed to be a sum determined under section 23 of that Act.

STATEMENT OF OBJECTS AND REASONS.

The object of this Bill is to continue certain provisions of the Indian Finance Act, 1931, to the 31st March, 1933; to increase the import duties on brown sugar, boots and shoes, artificial silk yarn and thread, artificial silk piecegoods, camphor and electric bulbs; to impose import duties on raw cotton, machinery and dyes; to impose a surcharge of 25 per cent. on all import duties other than the new duties on raw cotton, machinery and dyes, and on all excise duties including salt; to impose a surcharge on income-tax of 12½ per cent. in the current financial year and of 25 per cent. in the financial year 1932-33; to levy income-tax on incomes between Rs. 1,000 and Rs. 1,999 per annum; and to increase the rates of postage for letters and postcards.

2. Clause 3 provides for the following important alterations in customs tariff:—

(1) Levy of an import duty of 6 pies per pound on raw cotton;

(2) Levy of an import duty of 10 per cent. on machinery;

(3) Levy of an import duty of 10 per cent. on dyes;

(4) Increase in the import duty on brown sugar from Rs. 6-12 to Rs. 7-4 per cwt.;

(5) Increase in the import duty on boots and shoes from 20 per cent. *ad valorem* to 20 per cent. *ad valorem* or 4 annas per pair, whichever is higher;

(6) Increase in the import duty on artificial silk yarn and thread from 10 per cent. *ad valorem* to 15 per cent. *ad valorem*;

(7) Increase in the import duty on artificial silk piecegoods, camphor and electric bulbs from 20 per cent. to 40 per cent. *ad valorem*.

3. Clauses 4 and 5 provide for a surcharge of 25 per cent. on all customs import duties exceeding 2½ per cent. *ad valorem*, including those specified in paragraph 2 above excepting the new duties on raw cotton, machinery and dyes, and on all excise duties including salt.

4. Clause 6 read with clause 2 provides that the rate of postage on all inland letters and postcards should be increased by 50 per cent., i.e., the rate for an ordinary inland letter should be one anna and six pies instead of one anna, and the rate for the ordinary inland postcard should be nine pies instead of six pies.

5. Clause 7 (1) provides that incomes of Rs. 1,000 and upwards but less than Rs. 2,000 should be subject to income-tax at the rate of two pies in the rupee in the financial year 1931-32 and of four pies in the rupee in the financial year 1932-33.

6. Clauses 8 (1) and 9 provide that the rates of income-tax and super-tax now in force should be increased by 12½ per cent. in the financial year 1931-32 and by 25 per cent. in the financial year 1932-33.

7. The Indian Income-tax Act was not so drafted as to provide for such a contingency as a change of income-tax and super-tax rates in the middle of a financial year, at a time when some assessments for the year will have been completed, while others are yet outstanding and when certain payments of salaries and interest on securities will have already been made after deduction of tax at the rates hitherto in force. It is for this reason that clause 7 (2) and clause 8 (2) have been inserted, making certain adaptations of the procedure laid down by the Act and giving the Central Board of Revenue authority to deal with any unforeseen difficulties that may arise, if experience should show that a literal application of the existing law would produce inequitable results. It will be seen that these clauses and any rules made under them will necessarily be of an ephemeral character.

8. Clause 10 provides for the credit to revenue till 31st March 1933 of interest on securities forming part of the Paper Currency Reserve.

SIMLA, GEORGE SCHUSTER.
The 29th September, 1931.

MR. MODY'S SPEECH IN THE ASSEMBLY ON 6TH NOVEMBER ON THE MOTION FOR THE CONSIDERATION OF THE SUPPLEMENTARY BUDGET OF THE GOVERNMENT OF INDIA.

Mr. President, I think every one recognises that the Honourable the Finance Member is perhaps the most harassed individual in India to-day. Ever since he assumed charge of his portfolio, he has been engaged in a desperate struggle against a situation created partly by the financial policy thrust upon the country by his predecessor and partly by the collapse of currency and credit throughout the world. Every one watches with sympathy the Honourable the Finance Member grappling with problems which are not of his own creation, and concedes that so far as he is concerned he is doing his best to serve the country whose salt he is eating. But when my Honourable friend expects the Opposition to suspend its judgment, to spare condemnation and to offer nothing but constructive criticism, in some measure I think he is asking for the impossible. I see my Honourable friend sitting day after day with an air of resignation, sometimes of unutterable boredom, and often of pained surprise that human nature should be so perverse that his critics should not recognise his integrity of purpose and the difficulties by which he is surrounded. The other day, in moving the consideration of the Finance Bill he asked his critics to face realities ; he asked them not to indulge in destructive criticisms. When he made this appeal to the House, may I point out to him that he forgot the constitution under which we are working ? He seems to have entirely overlooked the fact that, year in and year out, this side of the House, whether in the reformed Legislature or in the pre-reform era, has been making suggestions by the cartload, good, bad and indifferent, only to find them all rejected unceremoniously, and I ask my Honourable friend what possible encouragement has he or any of his predecessors or anybody on the Government Benches given to this side of the House to offer constructive criticism ? I will make my Honourable friend a sporting offer now. Let him withdraw the budget, and we on this side of the House are prepared to produce a budget in which the revenue and expenditure will be equally balanced without many of the objectionable features of taxation which he has introduced in his budget. Is my Honourable friend prepared to accept that offer ? Is my Honourable friend prepared to accept any of the constructive suggestions which have been made and which will be made in the course of this session ? When my Honourable friend comes forward and says he is prepared to accept reasonable suggestions then will be the time for him to ask us not to indulge in destructive criticism.

Now, Sir, I have got a three-fold objection to this budget. In the first place I fail to understand why my Honourable friend should have thought it necessary to provide for revenue for a period of 18 months. When he framed this budget it must have been done on the facts and figures as they appeared to him some time at the end of August, that is to say, within 5 months of the financial year. In those five months he found his previous estimates

out by a very considerable sum, something like 19 crores of rupees. What is there to show that within the next 5 months which remain of the financial year, his estimates may not be completely upset, and a different aspect put upon things ? 19 crores deficit was shown in the results of the first five months of this year. Since then a change of world-wide importance has taken place in the financial situation, and that is the going off the gold standard on the part of Great Britain. The effects of that great move has been noticed already in India in a substantial measure. Cotton has appreciated by something like 50 rupees per candy, jute has improved substantially, rice and other commodities have also gone up in value, and there is an all-round buoyant feeling due to the fact that we are no longer pegged to a high exchange. How can the Finance Member at this stage say that within the next 6 months or 12 months the position of India will be as he found it in the first five months ? It may change in a remarkable way. Assume for a moment that it does not change for the better, what happens ? There is the budget session in March, and the Finance Member will be able to come forward before us and say " Well, I am sorry to have to state that the financial situation has not improved and I shall have again to provide for a deficit budget and to impose taxation to balance it." I therefore cannot agree to his providing for a revenue for a full 18 months when the next few months may be pregnant with very great possibilities. After all we do not know what cuts in expenditure may be possible during the next few months, and it may well be that the Finance Member by imposing this heavy taxation is providing for a large surplus at the end of 18 months. We may be right, we may be wrong in this view, but after all there is no earthly necessity for his coming forward at this stage to impose upon us taxation for the next 18 months.

My next objection is that the retrenchment that has been carried out is inadequate in some particulars. I shall readily admit that I was greatly impressed by the statement made by my Honourable friend when he particularly dealt with the question of retrenchment as it affects cuts in pay. I think from his own point of view he made out quite a good case, but there are certain objections which I want to point out—objections which go to show that retrenchment could have been carried further and the necessity for at least some of this taxation obviated. I will deal of course with what nobody in this Assembly, or any other Assembly that I can imagine for the next few years, can get away from, and that is the question of military expenditure. The Inchcape Committee brought it down to 57 crores from pretty well 71 crores, and they recommended that within a measureable period of time when prices came down, the budget should be brought down to less than 50 crores, and they added in their report that even this was more than the taxpayer in India should be called upon to pay. Since that Committee made the report, two outstanding events have occurred so far as the military budget is concerned. In the first instance the Inchcape Committee reckoned on 1/4 exchange in making up their calculations. The exchange went up to 1/6 soon after and it was pegged there. The result was that a great deal of the stores and materials which are bought from foreign countries were obtained at a discount of 12½ per cent. which in itself should have resulted in a very substantial saving, and I find it admitted in one of the financial memoranda attached to this budget or the previous budget—I forget which—that a great deal of the savings on the 57-crore budget of the Committee was effected because of the factor of exchange having changed from 1/4 to 1/6. Then again the prices of commodities have come down very considerably in the last few years, and I maintain that if the Inchcape Budget was 57 crores, it should have been possible within two or three years to bring it down to 50 crores. The more I study this question, the more I feel convinced that the military budget should not have exceeded 50 crores in this last four or five years. What would have happened if it had been brought down to that figure ? In four or five years, 20 to 25 crores would have been saved to the taxpayer. I quite admit that my Honourable friend with the assistance of the Commander-in-Chief has done his best, and I am prepared to concede that a cut of 4½ crores in the military budget at one stroke is a substantial concession to popular demand, but I say that that is not the last word on the subject, and I maintain that the military expenditure is capable of still more drastic reduction than has been found possible this year. We have from time immemorial, whenever we talked of the military budget being reduced, been faced with the bogey of invasion and threat to internal security. In this connection I just want to put one question to my Honourable friend and his military advisers. How often in the course of the last 50 years have the military forces of India been stretched to their fullest capacity ? Can you give me one single instance in which they were so stretched ? You have during this period had many expeditions outside India, large bodies of Indian troops have done merito-

rious service, and their absence has not imperilled in the least the security of this country. I referred to this point two years ago in my budget speech. You have to choose between a state of acute distress in this country carrying with it the seeds of widespread discontent and agitation and the maintenance of the army at the present strength. Which are you going to choose ? Let it not be forgotten that, after all, the army exists for the people, and not the people for the army. I say without exaggeration, and I am not given to tub-thumping, that the army has during all these years sucked the life-blood of the people, and it ought no longer to be allowed to go on sucking it. I am not a military expert. I am not prepared to say what the size of the army should be. My only point is that the size of the army should be exactly what the country can afford to maintain. In this connection let me for a moment turn to what has been done in England. My friend Mr. Chetty gave figures yesterday which went to show that as compared with a 40 per cent. increase in England since the pre-war period, the increase here has been very nearly 100 per cent., but this figure of 40 per cent. increase since 1913 in England becomes a great deal more striking when taken in relation to what England has been spending on other services. In 1913 the budget of England was 188 million pounds. In 1929-30 it was 829 million pounds, that is to say, the budget went up by very nearly 500 per cent. and yet the expenditure on the army was kept at 40 per cent. In this same period on education England which spent 14 million pounds in 1914 spent 42 millions in 1929-30 ; likewise on agriculture, health and various other services the expenditure of England during this period has gone up by something like 400 to 500 per cent., and yet they were able to keep down their army expenditure only to 40 per cent. over the 1913 figure. That should I think serve to remind my Honourable friend and the Government Benches that, after all, there are other considerations than those merely of military defence.

There are just a few observations that I would like to make on the question of the cuts in pay. I quite grant that a serious effort has been made to meet the view-point of the various Retrenchment Committees which have done such meritorious work, but I am not enamoured, in spite of all the arguments of the Honourable the Finance Member, of an all-round uniform cut of 10 per cent. (hear, hear) ; and so far as I am concerned I am prepared even to sacrifice revenue if need be, but I am not prepared to tax the lower-paid employees of Government on the same scale as the higher-paid employees. If you like, if you think a great injustice would be otherwise done, by all means keep your higher-paid employees on a cut of 10 per cent., but I say, reduce in the case of the lower-paid employees the cut that you have sought to impose ; and so far as I am concerned, I am prepared even to give up a little revenue. After all, do not forget the very acute distress which has been caused to the lower middle classes through the unemployment prevalent in this country. Whom does that unemployment hit the hardest ? The lower middle classes, who probably have found that instead of two or three bread-winners in the family there is now only one left, and that the others have to be supported. In this connection I would also like to inquire of my Honourable friend as to why it is that he has come forward with the proposal that so far as the Post and Telegraphs are concerned there should be a cut in everybody's salary even under Rs. 30 a month, when that is not sought to be done with regard to the other services. With regard to the Police and the Army and the various other services you have sought to lay down a minimum, but with regard to the Post and Telegraphs you want to tax everybody. I do not think that that is fair, and it is calculated to cause a great deal of heart-burning and a sense of injustice among a class of employees on whose honesty and efficiency depends a great deal of the comfort and amenities of life in this country.

Now, Sir, my third objection to the budget is that my Honourable friend cannot get away from customs and income-tax whenever he wants to increase taxation in this country. The same class is being taxed repeatedly, and my Honourable friend seems to think that that class has got inexhaustible resources and can be fleeced and bled as often and as much as he likes ! I think I mentioned during the last budget debate, that the number of assessees to income-tax in India is something ridiculously low, namely, 330,000 people. I do not know whether that figure is absolutely correct. Is that correct, may I ask ?

THE HONOURABLE SIR GEORGE SCHUSTER : I have not the exact figure with me, but I think that is approximately correct.

MR. H. P. MODY : I am grateful to my Honourable friend for the information,

THE HONOURABLE SIR GEORGE SCHUSTER: I may point out to my Honourable friend that according to the proposals of this Finance Bill, the number of income-tax assessees will probably be increased by another 330,000. I hope that will meet part of his objection. (Laughter.)

MR. H. P. MODY: I will come to that presently. What is the position? 330,000 persons, which means less than a thousandth part of the population, are asked to pay a fifth of the total tax revenue of the country. The total tax revenue of the country is Rs. 85 crores, and 17 crores was budgeted as the amount which the income-tax would yield. You are already taxing these 330,000 people to the tune of 20 per cent. of the full tax revenue, and you propose further heavy increases. Now, is that just, is that justified by any canons of taxation or of fairplay? What would be the consequences? Even within these five months it is found that in spite of putting up the income-tax heavily in March last, there was a deficit of a crore and a quarter. After all, the Finance Member must remember that the capacity of the taxpayer is very limited, even if the rapacity of the tax-gatherer be unlimited.

Then, Sir, I want to invite the Honourable Member's attention to the burdens on trade and industry which are continually being foisted upon this country. I am not going at this stage to talk of the various direct burdens which have been imposed upon them. I want only to invite the attention of the House to one factor, and that factor is the bank rate. Sir, the bank rate to-day is kept at 8 per cent. when the inter-bank call rate is not more than 5½ per cent. and was less than 4 per cent. only very recently. The inter-bank call rate is the sure indicator of the supply and demand position so far as money is concerned, and while that keeps at a very low figure, the bank rate is being maintained at 8 per cent. I do not know whether it is under the instructions of my Honourable friend that this bank rate is being maintained. Taking the position of the five leading banks, I find that something like 60 crores have been lent out to trade and industry in loans, cash credits and bills. I am not talking of the much larger figures of the advances for internal trade but am taking only the position of these five banks and their cash credit and loan position, and I find that it is something in the neighbourhood of 60 crores. Now a one per cent. difference in the bank rate means a loss or gain of 60 lakhs to the trade and commerce of this country, and a difference of two per cent. would mean a loss or gain to the trade and commerce of this country of one crore and 20 lakhs. When my Honourable friend is borrowing at 7¼ per cent. on three and six months' Treasury Bills, how can he possibly expect the industrialist to finance concerns, particularly when he has to face the difficulties of a period of acute depression, and when his own resources have been strained to the utmost? And if trade and industry are not going to be helped by the maintenance of the bank rate at a reasonable figure, how is it possible for the Finance Member to obtain the taxes which he anticipates would accrue out of these imposts? The fundamental basis of all taxation, Sir, is economic recovery, and unless that recovery is forthcoming through the improvement of trade and industry and agriculture, I wonder how my Honourable friend is going to get all the revenue he is budgeting for? That leads me to support the demands made by my Honourable friend, Mr. Arthur Moore, when he said that the basis of taxation must be broadened. Sir, the time has arrived when the Finance Member should consult a few people with a view to find out whether the basis of taxation should not be broadened and other sources of revenue roped in (hear, hear). I think the serious consideration of that problem is urgently called for. Otherwise what happens? Year in and year out whenever the Finance Member is faced with a deficit, he immediately pounces upon the customs and the income-tax to balance his budget, and the same process goes on year after year. Sir, the time has arrived for a very serious consideration of the basis of taxation, and the various suggestions which Honourable friends have made here in the course of this debate and the last two or three debates ought to be taken into consideration when next framing the Budget.

THE HON'BLE SIR GEORGE SCHUSTER: Has my Honourable friend got any suggestions of his own to offer?

MR. H. P. MODY: If my Honourable friend is disposed to receive them earnestly, I will give him as many as he wants. I am prepared to offer a great many suggestions to my Honourable friend, but I am not prepared to offer them merely for the purpose of their being discarded unceremoniously. You will remember, Sir, that in the earlier stages of my remarks

I made this sporting offer to my Honourable friend that we are prepared on this side of the House to produce a budget, an evenly balanced budget, without many of the obnoxious features of the Finance Member's own budget (hear, hear). I just forgot one point, and that is with reference to the taxation of incomes between Rs. 1,000 and Rs. 2,000. My Honourable friend suggested that this was a sort of thing which ought to gladden my heart, but it does not, I am sorry to say ; as a matter of fact I feel very depressed at the prospect of a large number of people being taxed out of existence in the manner suggested by the Honourable the Finance Member. Already that class has been hit very hard, and the proposal to tax incomes between Rs. 1,000 and Rs. 2,000 ought to be stoutly opposed by every single member of this House. Sir, I have made a few general observations, as few as I could make them, on the general aspects of the Budget. I do not want to say anything on particular items figuring in the Budget. I shall probably, with your permission, Sir, have other opportunities of speaking on them. When the taxes on cotton, on income, on machinery, and various other items come to be debated, I shall lodge my objections in the manner I think best. I do not think I need take the time of the House any more now. I hope that so far as this Budget is concerned, if it is to find acceptance on this side of the House it will be radically altered before it is put to the vote.

APPENDIX 10.

THE INCOME-TAX PROPOSALS, ETC., OF GOVERNMENT.

Letter dated the 2nd November 1931 from the Association to the Secretary to the Government of India, Department of Finance, New Delhi.

Subject :—SUPPLEMENTARY BUDGET PROPOSALS OF THE GOVERNMENT OF INDIA.

I am directed to state for the consideration of the Government of India the views of my Association in respect of the Income Taxation proposals in the Supplementary Budget introduced by the Honourable the Finance Member on 29th September 1931. After a very serious consideration of the needs of the present situation and the effects of the proposed increases in income-tax and super-tax, my Committee desire me to register an emphatic protest against the collection of income-tax and super-tax at such abnormally high rates for the following reasons :—

(*a*) *Increasing taxes on diminishing incomes.*—The Finance Member has himself stated that his estimated receipts from taxes on income for the year 1931-32 would be about Rs. 125 lakhs less than the receipts originally budgetted for during the year. This itself is a very important admission. If receipts from this source failed to respond to Government's expectations, the position could have no other meaning than that the earning capacity of the industries of the country had greatly deteriorated. The importance of this situation does not appear to have been adequately appreciated by Government, for, in spite of a gradually diminishing income, the assessee is being asked to pay more and more in the shape of income-tax.

(*b*) *No equality of sacrifice.*—The Prime Minister of Great Britain and His Excellency the Viceroy have enunciated the salutary principle of equality of sacrifice by the various sections of the community to tide over the present difficult period, and on this basis, the new tax burdens should, in the opinion of my Committee, have been more evenly distributed over the population as a whole and the various existing and potential sources of revenue.

(*c*) *Retrenchment of Government expenditure inadequate.*—My Committee are also strongly of opinion that the bulk of the anticipated revenue deficit could and should have been met by retrenchment in expenditure, and that any new taxation which it might be necessary to impose should have been such as would encourage and not retard the development of industries, on which depends the economic recovery of the country which is of such vital importance in the present situation.

(*d*) *Similar financial difficulties met by smaller increases in income taxation in England.*—My Committee have carefully studied the effect of the new income taxation proposals and the enclosed statement (Enclosure A) brings out very clearly the reality of the extent of burden which assessees to taxes on income are called upon to bear. Comparing the amounts of tax for the year 1930-31 with those which would become payable under the proposed rates for 1932-33, it will be seen that the increase is, in many cases, more than 80 per cent. My Committee doubt whether such drastic increases in taxes on income have been piled on so rapidly in any other country, and would like the Government of India seriously to consider whether the crisis in the financial affairs of this country is such as to warrant these increases when, in similar circumstances, the rates of income-tax in the United Kingdom have only been raised during the same period by about 11 per cent. The increases proposed in India are still more objectionable when it is considered that only a very small proportion of the country's total revenue is being utilized for nation-building activities, and social services such as education, etc., on which expenditure in India is less than 8 annas per head per year.

(*e*) *Increased income-tax rates not accompanied by relief corresponding to that given in England.*—Industries will be very seriously handicapped by the new taxation, and it is difficult to see how new capital, which is admittedly necessary, can be attracted for industrial development in the face of these new burdens, an excessively high bank rate, which the Finance Member has admitted has largely been brought about by currency contraction, and the higher prices which will have to be paid for certain classes of imported stores and raw materials. Generally speaking, it may be said that the bulk of the working capital for all the important industries of the country is drawn from the public in the shape of fixed deposits at rates usually higher than bank rate, which means that to-day working capital for industrial purposes is difficult to obtain at anything less than 9 per cent.; whereas in England, France, Japan and the United States of America, the rates for working capital are probably round about 4 per cent. With the Government of India borrowing money on Treasury Bills at something like 7¼ per cent., an investor would naturally expect a return of at least 10 per cent. net before he could be persuaded to invest in new capital issues, and on this basis, the gross profit prior to deduction of income-tax on the new basis would have to be very high. How difficult it would be to achieve this result with the new rates of income and super tax is apparent when one considers that a company with a profit of Rs. 6,00,000 would have to pay out nearly Rs. 1,48,437 in income and corporation tax. It might be urged by Government that similar high taxation is imposed on industries in England, but in answer to this, it is pertinent to point out that in England, assessees are allowed to set off their losses in one year against profits earned in subsequent years. By section 29 of the British Finance Act of 1926, income-tax is now computed on the income of the year preceding the year of assessment as in India, but as against this, it is provided by section 33 of that Act, that an assessee can claim a set-off in respect of loss made within six years. Section 33 of the British Finance Act reads as follows :—

> " Where a person has, in any trade, profession or vocation carried on by him, either solely or in partnership, suffered a loss in respect of which relief has not been wholly given.....he may claim that any portion of the loss for which relief has not been so given shall be carried forward, and as far as may be, deducted from or set off against the amount of profits or gains on which he is assessed under the Act in respect of that trade, profession, or vocation, *for the six following years of assessment.*"

A company makes a loss of 3 lakhs in one year, 3 lakhs in the succeeding year, and a profit of 4 lakhs in the third year. According to the present procedure in India, the company would have to pay income and super tax on 4 lakhs, whereas in England, it would have nothing to pay by way of income and super tax on this profit, and would have, in addition, 2 lakhs to set off against future profits. The procedure in India really results in a substantial capital levy after a period of depression, and now that the income taxation rates are more or less on a level with English rates, there is no justification for withholding this concession from the Indian taxpayer.

In addition, it is pertinent to mention that, with the latest increase of 11 per cent. in company income-tax in England, a corresponding increase has been given in the statutory allowance for depreciation. If there is any justification whatsoever for the imposition of

taxes on incomes corresponding in degree to those in England, then my Committee maintain that, in justice, assessees should be allowed similar concessions and the burden of double and treble taxation, which now exists, should be entirely done away with. One of the steps that might be taken towards the accomplishment of this would be the abolition of company super-tax altogether.

(*f*) *The high income-tax rates in England no justification for imposition of similar rates in India.*—It is a favourite argument of the Government of India, and one which has even been printed in the Income-tax Manual, that hitherto the rates of taxation on incomes in India are considerably less than in the United Kingdom. It is conveniently forgotten, when this argument is put forward, that the conditions in the two countries, one a highly developed industrial country and the other almost entirely agricultural, are vastly different, and that in India, no matter what rate of taxation on income is imposed, would the total revenue derived from that source form the great proportion of the country's total revenue that it does in Great Britain, since income-tax payers in India form almost an infinitesimal part of the population. To-day the total number of assessees is about 330,000, or less than one-tenth of one per cent. of the total population of the country.

In a time of national emergency and severe trade depression such as the present, if it becomes necessary to increase taxation temporarily, that taxation should be very broad based in order that the burden on particular classes and individuals should not be excessive. In England, this result has been attained by a moderate increase in taxes on income which affects a very large proportion of the country's population. In so far as the proposal to increase taxes on incomes in India is concerned, an entirely different principle has been introduced, the ineffectiveness and unsoundness of which has been demonstrated by the diminished revenue which followed the very great increases in income taxation imposed in March 1931. Despite this warning, another enormous increase is now sought to be imposed, the burden of which is likely to have disastrous consequences on India's immediate industrial development, and may result in effectively maiming the goose which has laid the golden egg of income-tax revenue heretofore.

(*g*) *Increase in income taxation unreasonable compared to increases recorded in other sources of revenue.*—In 1913-14, the total revenue derived by the Government of India was about 87 crores and the yield from taxes on income was about 3 crores. In 1931-32 (according to the revised Budget) the total revenue will be about 134 crores and the yield from taxes on income about 18 crores. In other words, out of a total increase of 41 crores in revenue, taxes from income alone account for about 15 crores ! !

(*h*) *Taxation of incomes of Rs.* 1,000—*a gross injustice.*—The proposal to introduce a new class of assessees whose annual income lies between 1,000 and 2,000 rupees per annum is, in the opinion of my Committee, morally indefensible. Taxation of such meagre incomes during a period of rising prices like the present especially, is utterly unjustified. The unfairness of the proposal is forcibly brought out by the fact that the total income of this class of assessees only amounts to the same figure as the unemployment dole given to a married man with one child in England.

(*i*) *Burden of income taxation on middle class heavier in India than in England.*—Similarly, a comparison with the incidence of taxation on incomes up to about Rs. 7,500 indicates that, up to this limit, the average Indian taxpayer is being asked to bear an excessive burden. Let us take, for example, the case of a typical taxpayer, namely, a married salary earner with two children, in England and India, with incomes of Rs. 2,000, Rs. 3,000 and Rs. 5,000 per annum. In England, the assessable income is computed after providing for the following allowances :—

(*i*)	One-fifth of the earned income up to a maximum of £300 as a personal rebate.	
(*ii*)	Personal allowance for married men	£150
(*iii*)	Allowance for first child	£ 50
(*iv*)	Allowance for subsequent children	£ 40 each.
(*v*)	The first £175 of " taxable income " to be charged at half the standard rate, viz., 2*s.* 6*d.*	

The British salary earner does not pay any tax on Rs. 2,000 and Rs. 3,000, whereas the Indian taxpayer is called upon to pay Rs. 78-2-0 and Rs. 117-3-0 respectively, per annum. On Rs. 5,000, the British taxpayer pays Rs. 100 as tax, while the Indian taxpayer pays something like Rs. 292-15-6, or nearly three times as much as the British taxpayer.

(*j*) *Economic unsoundness of taxation on high individual incomes.*—The rates of income and super tax which it is proposed to impose on incomes of Rs. 30,000 to Rs. 60,000 per annum will mean an increase of about 80 per cent., whereas in England, there has been an increase of only 11 per cent. during the same period. On super-tax, the rates in India have been increased 25 per cent. and only 10 per cent. in England in the same period. When a man's income reaches Rs. 6,00,000 under Government's proposals, he will have to pay away nearly half of the amount in income-tax and super-tax, and in the great majority of cases, will have already further contributed, indirectly but very substantially, to the revenues of the country by way of corporation tax. It may be urged that in England, he would be mulcted in similar taxation, but against this it has to be pointed out that the social amenities provided at the expense of Government are infinitely greater than in India. The popular argument that "from he that has much everything shall be taken" is fundamentally unsound, because it is undoubtedly a fact that the wealth of these private individuals forms the source from which the capital necessary for industrial development is financed. This point was dealt with very ably in the following quotation from a recent article in the *Times of India* :—

> "In every developed country capital is the necessary propulsive power of production, and that power is diminished by what the State appropriates to spend on its own purposes, whether administrative, military or 'social.' Speaking not in terms of ethical theory but of actuality, it 'belongs' to the community more than it does to the capitalist. The latter 'has,' in an exclusive sense, what he spends of the interest; the community has the use of the principal for the maintenance of industrial functions without which its life would be impossible. And every penny that the capitalist saves (and it is the rich who are the substantial savers) goes to augment the national money pool which irrigates the whole common existence. It may conceivably be desirable to squeeze the rich for the good of their souls or some other beneficent purpose. But the moment that the process begins to impinge on their savings, the economic life and freedom of the whole community are made to suffer along with them."

ENCLOSURE A.

Statement showing the increase in taxes payable by an individual assessee in 1932-33 under Government's latest proposals, as compared with the tax paid in the year 1930-31.

Income per year.	1930-31.					1932-33.					Increase in tax in 1932-33 as compared to 1930-31.
	Rate of Income-tax.	Amount of Income-tax.	Amount of Super-tax.	Total.	Effective rate of income taxation per rupee.	Rate of Income-tax.	Amount of tax including Surcharge of 25%.	Amount of Super-tax including Surcharge.	Total.	Effective rate of income taxation per rupee.	
Rs.	As. p.	Rs. a.	Rs. a.	Rs. a.	As. p.	As. p.	Rs. a.	Rs. a.	Rs. a.	As. p.	%
1,100	..	....	....	....	....	0 4	28 10	....	28 10	0 5	....
2,000	..	....	....	....	....	0 4	52 1	....	52 1	0 5	....
3,000	0 5	78 2	....	78 2	0 5	0 6	117 3	....	117 3	0 7½	50
4,500	0 5	117 3	....	117 3	0 5	0 6	175 12	....	175 12	0 7½	50
6,000	0 6	187 8	....	187 8	0 6	0 9	351 9	....	351 9	0 11¼	87
7,500	0 6	234 6	....	234 6	0 6	0 9	439 7	....	439 7	0 11¼	87
9,000	0 6	281 4	....	281 4	0 6	0 9	527 6	....	527 6	0 11¼	87
10,500	0 9	492 3	....	492 3	0 9	1 0	820 5	....	820 5	1 3	66
12,000	0 9	562 8	....	562 8	0 9	1 0	937 8	....	937 8	1 3	66
13,500	0 9	632 13	....	632 13	0 9	1 0	1,054 11	....	1,054 11	1 3	66
15,000	0 10	781 4	....	781 4	0 10	1 4	1,562 8	....	1,562 8	1 8	100
22,500	1 1	1,523 7	....	1,523 7	1 1	1 7	2,783 3	....	2,783 3	1 9¾	80
30,000	1 4	2,500 0	....	2,500 0	1 4	1 11	4,492 3	....	4,492 3	2 4¾	80
45,000	1 7	4,453 2	....	4,453 2	1 7	2 1	7,324 4	879 0	8,203 4	2 11	80
60,000	1 7	5,937 8	677 1	6,614 9	1 9⅛	2 1	9,765 0	2,148 0	11,913 0	3 2⅛	80
1,20,000	1 7	11,875 0	5,364 9	17,239 9	2 3⅜	2 2	20,312 8	8,789 0	29,101 8	3 10½	61
1,35,000	1 7	13,359 6	6,849 0	20,208 6	2 4⅔	2 2	22,851 9	10,839 3	33,690 12	3 11¾	66
1,50,000	1 7	14,843 12	8,333 6	23,177 2	2 5⅞	2 2	25,390 10	12,890 12	38,281 6	4 1	65
2,25,000	1 7	22,265 10	18,880 4	41,145 14	2 11⅓	2 2	38,085 15	27,050 12	65,136 11	4 7½	58
3,00,000	1 7	29,687 8	32,552 3	62,239 11	3 3⅛	2 2	50,781 4	45,117 3	95,898 7	5 1⅓	54
4,50,000	1 7	44,531 4	70,833 7	1,15,364 11	4 1¼	2 2	76,171 14	94,921 14	1,71,093 12	6 1	48
6,00,000	1 7	59,375 0	1,23,177 1	1,82,552 1	4 10½	2 2	1,01,562 8	1,62,304 0	2,63,866 8	7 0½	45

THE INDIAN FINANCE (SUPPLEMENTARY AND EXTENDING) BILL—*contd.*

MR. PRESIDENT : Further consideration of the Finance Bill. The question is that clause 7 stands part of the Bill.

RAI SAHIB HARBILAS SARDA (Ajmer-Merwara : General) : Sir, I move that clause 7 be omitted. This clause provides that the minimum taxable income be reduced from Rs. 2,000 a year to Rs. 1,000. The Honourable the Finance Member has not explained why he has felt compelled to take this very serious step ; for, this clause, if enacted, is sure to add to the volume of discontent in the country. . . . .

* * * *

MR. H. P. MODY (Bombay Millowners' Association : Indian Commerce) : Sir, I rise to support the amendment. During the last few days we have had an unmistakable demonstration of the absolute unreality of our proceedings. Speeches have been made on both sides of the House, the sort of speech, for instance, delivered by my Honourable friend, Sir Joseph Bhore, yesterday afternoon, a speech on which we all would like to congratulate him. (Hear, hear.) I say some excellent speeches have been made on both sides of the House, which in a popularly elected Legislature must affect its decisions under normal circumstances. But we have an irremovable Executive, which for one reason or another cannot and will not listen to the most reasoned arguments and appeals, and then we have on the other side an Opposition whose sole business must become one of opposition. Sir, I have suggested in the past that if it is not the intention of Government that they should always face this House with pre-determined proposals, then it would be very necessary, particularly when we are discussing the taxation of the people, that there should be some informal approach to the popular section of the House. I do not wish to suggest that my Honourable friend the Finance Member should take into his confidence anyone on this side of the House before framing his proposals. But I for one cannot see the least difficulty at all, practical or otherwise, with regard to the acceptance of the suggestion I have made. If my Honourable friends on the Treasury Benches wish this side of the House to make constructive and practical proposals, then it cannot be done by simply making a speech or making a proposal and then sticking to it, no matter what is urged from this side of the House. In supporting this amendment, therefore, I am not labouring under the delusion that anything that I may say will have the least effect on the proposals or on the mental attitude which my Honourable friends on the other side of the House have towards what we say.

MR. C. BROOKE ELLIOTT (Madras : European) : Excuse me. I am prepared to listen. I am very careful to hear all sides.

MR. H. P. MODY : I was referring to my Honourable friends on the Treasury Benches.

MR. C. BROOKE ELLIOTT : I beg your pardon.

MR. H. P. MODY : Some day I hope to see Mr. Brooke Elliott on those Benches, and I am sure that he will infuse a certain liveliness into our proceedings which I am afraid is sadly lacking at present. Sir, I would put my opposition to the proposal of the Finance Member on the one solid ground that he is proposing to tax a class of people who cannot bear any further burdens. My Honourable friend says in the statement which he issued with the financial papers, that at a time of national emergency it would be equitable to impose what he regards as a light tax upon these people. I say that even in a time of national emergency it would be absolutely inequitable to tax this class. We are obsessed very much when we are considering taxation proposals, by the heavy drop in commodity prices and in the prices of manufactured articles which has taken place in the last two or three years. But I would like to ask my Honourable friend whether, so far as the lower middle classes are concerned, people with an income of Rs. 100 to Rs. 125 a month, the drop in prices has affected them in any material way ? Whatever may be the case with Government servants who, so far as

cuts are concerned, will have the benefit of having the income-tax merged in them, the large army of clerks and the like who are not in the employ of Government have had various cuts imposed on them, and they are now sought to be penalised further by bringing their income within the fold for the purpose of taxation. They have been hit also by the various retrenchment proposals which have been brought into operation. And here I would like to take the opportunity of saying something which probably may not appeal to any section of this House but on which I hold very strong views. When I hear of retrenchments having been effected in commercial and industrial organizations and in public utility concerns, of lakhs being saved, I am absolutely left cold, for the simple reason that this retrenchment has been effected at the cost of a very needy section of the public. Hundreds of thousands of people are turned out in the streets at a moment when the general distress is acute, and my feeling about this matter is that you are adding to and accentuating the general distress which prevails when you turn out men in the streets without any means of subsistence. Well, what I was going to say was that this retrenchment, which has been practised all round, has affected this class very considerably. Families which had more than one bread-winner have now only one, and the burden of carrying those who are unemployed and their families falls upon the one man who is in the fortunate position of having still retained his appointment. Therefore, Sir, with the cut and with the retrenchment, what has happened is that the position of the lower middle classes has become very distressing. Then, take the various forms of taxation which have been imposed in the last two or three years, and which have also borne hardly on this class. Take the various increases in customs duties. No one suggests that the lower middle classes are affected by most of the articles which come into this country and which may be regarded as luxuries. But they are certainly affected by a great many other articles which are not in the nature of luxuries but which are bare necessities—various drugs and medicines and things like that which come from abroad ; and which the lower middle classes have to use in spite of their slender means. In addition, various increases have been made in the postal and railway rates. I do not know what the intentions of my Honourable friend are with regard to the decision which the House took yesterday, but if they propose to restore this cut, let them remember that they will to a certain extent be increasing the burden on the lower middle classes. Then the railways have increased their rates, and in many other ways the lower middle classes have been penalised to a very considerable extent. I was saying, Sir, that these classes have not derived any benefit from the low prices which have prevailed. For one thing, it is a matter of notoriety that house rents which form in this country unfortunately the largest item of expenditure in the domestic budget of every one of us, whether he belongs to the lower middle class or to the upper class, have hardly come down at all. They may have come down in the case of some luxury flats, but for the generality of people, rents have shown no tendency to come down appreciably. The cost of education, the cost of medical relief, and various other items, which in good times or in bad these people have to incur—these are all there in a more burdensome form. So, altogether, Mr. President, I venture to submit that the position of the lower middle classes is very pitiable. I regard their condition as even worse than that of the very poor. As my Honourable friend just pointed out, these people have a standard of life to maintain which under no circumstances can be given up and they are in receipt of no such help as is vouchsafed to the very poor.

My Honourable friend the Finance Member used a general argument the other day when he referred with approval to a certain statement made in the proposals of Sir Walter Layton. He said that the ratio of taxation to the national income of Great Britain was something like 20 per cent. and even in the case of Japan it was as high, whereas in India it was something like 8 to 6 per cent., according as you took the lower or the higher estimate of income. My answer to that is that if you take the income of an individual in Great Britain at Rs. 100 per month, which I think is an approximate figure, and if you take the income of the average individual at Rs. 6 a month in India, which I again think is somewhere near the mark, then you will realize that Rs. 20 off the income of a man who is drawing Rs. 100, may inflict upon him a certain amount of hardship, but it will certainly enable him still to manage to eke out a modest existence, whereas eight annas off a man who draws Rs. 6 a month would be a very considerable hardship because a man in possession of such a miserable income has got to consider every anna. I therefore venture to submit to my Honourable friend that the comparison which he sought to draw is fallacious. Sir Walter Layton says that even in an Eastern country like Japan the ratio is something like 20 per cent. The other day I asked some friends who ought to know about this what they thought was the national income of

Japan. They gave me a very high figure indeed. As I have not verified it myself, and I do not believe in making any statement which I have not personally verified, I will not give that figure here ; but I am confident that the average income per head in Japan is a great many times the average income of the people of India. Therefore when you seek to levy such taxation, do not be led away by any such comparisons as the one which my Honourable friend tried to institute between the ratio of taxation which obtains in England and the ratio which obtains in India. I feel that at a time of acute stringency, a measure like the one before us is one which this side of the House ought never to support, no matter what the intentions of Government may be, and if Government were really responsive to the needs of the people and their grievances, they would immediately realise that this particular proposal which my Honourable friend has been led to make on account of what he calls a national emergency is certainly not one which can commend itself to the representatives of the people. Sir, I support the amendment.

Copy of letter No. 2983/249, dated 2nd November 1931, from the Association to the Secretary to the Government of India, Finance Department, New Delhi.

Subject :—EMERGENCY BUDGET PROPOSALS : PROPOSED IMPORT DUTY ON RAW COTTON.

I have the honour to refer to the Statement on the Financial Position made by the Honourable the Finance Member in introducing the Emergency Budget in the Assembly on 29th September, and to say that the Committee of the Association feel very strongly that the proposal to levy an import duty of half an anna per pound on raw cotton imported into India has been made without any detailed enquiry into its possible effects on the interests most vitally and directly concerned.

My Committee, representing as they do the largest and most important section of the Cotton Textile Industry of this country, desire to enter their most emphatic protest against the imposition of the duty. The proposal is wrong in principle, and in direct contravention of the policy laid down by the Fiscal Commission and accepted by Government that "raw materials required for Indian industries should ordinarily be admitted free of duty." In face of the Fiscal Commission's declaration " that when no duty is required for protective purposes, the raw materials used by any industry in India should be left free," it is surprising that Government should have come forward with this proposal to tax an essential raw material required by the premier industry of this country. In this connection the Committee would like to urge that the proposed duty of 10 per cent. on machinery is equally inequitable and indefensible, for the Fiscal Commission stated that they could not approve the principle of taxing machinery for purposes of revenue, and recommended the removal of the then existing duty of 2½ per cent., being definitely of the view that a revenue duty on machinery was undesirable in the present state of the country's development.

The most objectionable feature of the proposed duty on raw cotton is that though it is ostensibly a revenue duty, it will in its application be nothing more nor less than a tax on production as far as medium and finer counts yarn and cloth are concerned. It would be pertinent here to refer to what the Tariff Board had to say in regard to the need of Bombay mills diversifying the character of their production as one of the remedies for the depression besetting the industry :—

" We consider that it is essential that Bombay should utilize to the full the natural advantages it possesses in the matter of climate and of its situation in respect of imports of American or African cotton for the production of goods of higher quality than it has done in the past, that it should devote much less attention than it has done to the production of grey goods, more especially of grey longcloth and shirtings, and that it should embark on a much larger production of bleached and coloured, printed and dyed goods."

The mill industry in India has not been slow to follow this advice, as the following figures of production of higher counts of yarn and piecegoods during the last two years will show :—

Production of Yarn in Indian Mills.

(In pounds.)

Year.	Counts 40s.	Above 40s.
1927-28 (normal)	11,888,970	11,141,821
1929-30	19,998,908	15,278,339
1930-31	31,942,665	27,310,831
April/June 1931	10,242,533	8,708,816

Production of Piecegoods.

(In yards.)

Year.	Dhoties.	Cambrics and Lawns.
1927-28 (normal)	615,946,386	5,479,124
1929-30	776,027,510	3,589,548
1930-31	831,405,029	28,856,989
April/June 1931	241,153,090	13,082,883

The production of yarn of 40s and above has gone on increasingly from year to year and stood at 59 million pounds in 1930-31, while for the first three months of this year, the production is 19 million lbs. If the production continues on this basis, it may be expected to be 76 million lbs. for the year 1931-32. This has been largely made possible by the use of the longer-stapled African, Egyptian and American cotton, for there is no Indian cotton available in sufficient quantities equal in staple to these imported varieties to spin these higher counts of yarn which mills in India have now begun to manufacture. Taking the latest figures of cotton production in India, it is estimated that, in the whole of India, there is certainly not more than 100,000 bales of cotton which would spin 40s or finer counts. When it is considered that out of even this quantity a fair proportion is exported, the need of importing considerable quantities of staple cotton becomes apparent. Foreign cotton which Indian mills are thus compelled to use for lack of suitable indigenous cotton in their endeavour to improve the quality of their production does not, as stated above, compete directly with Indian cotton, and any tax on such cotton will not, it is submitted, benefit the Indian producer even indirectly. The proposal to tax foreign cotton would have been understandable if the tax was on cotton of a staple equal to that of Indian cotton used by Indian mills, and to that extent replacing Indian cotton and depriving the Indian farmer of the fruits of his labour. But that is not so. It does not directly compete with more than 2 per cent. of the Indian cotton crop and meets a need which Indian cotton is not in a position to fulfil. It is, therefore, very improbable that the Indian cultivator will stand to gain from the imposition of the duty. My Committee would, in this connection, like to suggest that if revenue considerations imperatively demand the raising of fresh income, Government might well consider the desirability of so grading the tariff as to tax only those varieties of imported cotton which compete directly with Indian cotton, and to permit those that do not, to come in free of duty. There would be no insuperable administrative difficulties if this suggestion were given effect to by Government, since it is possible to obtain certificates of staple length with every importation. Duties of half an anna per pound of foreign cotton of $\frac{7}{8}$" or less would, probably, be sufficient to meet the needs of the case. At a time when Indian mills are progressively increasing their production of finer goods, Government should not have intervened with this proposal for a higher duty on the essential raw material required and not available in this country. Its effect will be to retard, if not to cripple, the movement towards the manufacture of higher counts which is so notable a feature of recent Indian production statistics. It is this movement which has materially contributed to increase the competitive capacity

of Indian mills, and if they are to maintain and improve their position in the face of acute international competition, they must continue using foreign cotton so long as there are no adequate supplies of similar cotton in this country, the price of which may be expected to rise to the extent of the duty.

It has been said that the all-round surcharge of 25 per cent. on the existing import duties on cloth will more than compensate for any disadvantage which may accrue from the new duty. But the fact remains that any increase in the cost of production must be reflected in the price of the finished article.

The rise in the cost of production of Indian mills must necessarily considerably impair their ability to meet the home demand for finer goods which is growing apace every year *vis-a-vis* countries like Japan and Great Britain, who, in addition to having various other advantages as compared with India, will also be getting their raw material cheaper than Indian mills.

My Committee would say, in conclusion, that the measure is contrary to well-recognised canons of taxation, ill-conceived and altogether against the best interests of the Cotton Textile Industry, which Government are pledged to support.

Legislative Assembly : 12th November 1931.

MR. PRESIDENT : The question is that clause 3 stand part of the Bill. I will take amendments to Schedule I.

Amendment No. 95, Mr. Bhuput Sing.

MR. BHUPUT SING (Bihar and Orissa : Landholders) : Sir, the amendment that stands in my name against clause 3 of the Bill and which I beg to move is :

" That in Part I of Schedule I to the Bill amendment No. 1 be omitted."

Sir, I fail to understand why raw cotton, which was free from duty hitherto, is sought to be saddled with a duty. . . . .

* * * *

MR. H. P. MODY : The Finance Member in his concluding speech on the consideration stage of the Bill referred to an allegation which had been made in the course of the discussion that this duty on cotton was another method of giving preference to Lancashire. My Honourable friend deprecated that suggestion and, in vindication of the Government pointed to the various increases which have been made in the import duties from time to time during the last two years. I have had occasion several times in the past to acknowledge the valuable assistance which the textile industry has received from these increases in the import duties, and I should like to take this opportunity to repeat my acknowledgments. It may not be within the knowledge of this House that the duty of 40 per cent. on artificial silk piecegoods—with the surcharge of 50 per cent.—was probably the result of a representation made by my Association a couple of months ago, putting forward strong grounds both from the protective as well as from the revenue point of view why such a duty should be imposed, and, as I said, I should like to take this opportunity once again to make my acknowledgments to Government for the assistance that they have rendered. But, Sir, I oppose this duty on imported cotton for reasons other than those to which reference has been made by several speakers. It has been contended that the duty is calculated materially to assist the Indian cultivator. I am afraid an argument like that in this House or in any other House is calculated to sweep many Members off their feet into the Government lobby, and therefore I shall devote a moment or two to refuting that argument, and to pointing out that there is absolutely no foundation for the suggestion that the cultivator of cotton would be helped by this duty. I ask Honourable Members to apply their minds for a moment to the character of the imports of cotton which have flowed into India during the past two or three years. They

will find—I will take the figures of 1930-31—that out of a total of something like 58,000 tons—I may say for the purpose of calculation that a ton would be about 4½ bales, calculated at 500 lbs. per bale—21,000 came from Egypt, 23,000 from Kenya and Tanganyika and 12,000 from the United States. Now I do not think any supporter of the duty—not even my Honourable friend, Mr. Anklesaria, who spoke this morning—is going to contend, so far as Egyptian and Uganda imports are concerned, that these have the slightest bearing on the fortunes of the Indian cultivator. They are superior types of cotton which are not grown at all in India, and not a single bale is produced in India comparable to the imported stuff..

SETH HAJI ABDOOLA HAROON : What about the Punjab and Sind-American cotton ?

MR. H. P. MODY : I would ask my Honourable friend to take my word for this, and if he does not then to take the word of somebody else in whom he has more confidence—somebody at any rate who knows something about this business....

SETH HAJI ABDOOLA HAROON : And I too know something about cotton.

MR. H. P. MODY : I never attempt to challenge the competence of any single Honourable Member no matter what subject he is talking upon. What I was trying to say from such little knowledge that I possess of this subject, was that the Egyptian and the Uganda cotton are not comparable to anything produced in India. My Honourable friend who has just interrupted me asked, " What about the Punjab-American cotton ? " I know that type, and I do not think my Honourable friend can contend that his Punjab-American cotton can spin the counts of yarn which Uganda and Egyptian cotton can spin. I now come to the cotton which comes from the United States—12,000 out of a total of 58,000. Now it may be that a portion at any rate of this cotton may compete with Indian cotton. Not all of this cotton coming from America is cotton which is used merely because Indian cotton is not suitable. It is possible that for reasons of parity and for other reasons—early shipment and the like—some American cotton may be used in Indian mills which can very well be dispensed with and for which there could be adequate Indian substitutes. But the position is that, out of 58,000 tons only a small portion of the imports are of cotton which can compete with Indian cotton. Now this subject has assumed an adventitious importance because of the somewhat heavy imports of cotton that came in last year, and for that purpose I would like to quote three or four lines from a very authoritative document, and that is a report on cotton improvement in India issued by the Indian Central Cotton Committee which I believe commands the confidence of Government, growers and the public alike ; and in this report, which is dated August 1931, it is stated :

" The past season was a poor one for Indian staple cotton, and the import of foreign cotton was to a large extent meant to replace this deficiency, though the low prices were conducive to increased purchase."

In other words....

MR. N. N. ANKLESARIA : Will my Honourable friend read a few lines further on ?

MR. H. P. MODY : I will read as many lines as he wants.

" The production of finer counts in India is undoubtedly on the increase and will continue, and India should make some effort to supply the demand from her own fields for all but the very finest cottons."

I am not challenging the position that India should make an attempt to produce the finer types of cotton. We are concerned with the position as it exists to-day, and I want to ask my Honourable friends, the Commerce Member, the Finance Member and also my Honourable friend, Mr. Anklesaria, whether they base their support of this duty on the ground that it is calculated to affect what might take place in some distant future.

MR. N. N. ANKLESARIA : You must not forget threatened Russian imports.

MR. H. P. MODY: Now let us examine what classes of Indian cotton there are which can by any stretch of the imagination at all hope to compete with foreign cotton. Here I would like to point out that while it is admitted that it is necessary that India should produce finer cotton, and larger and larger quantities of it, that there is another side to the case, and that side has been hinted at in what I am now going to read before the House:

"Over large tracts of rain-fed India the early-maturing, high-yielding, high-ginning, short-staple, hardy cottons indigenous to the area will compete successfully against any attempt to introduce a long-staple type. But there are other areas like the Central Provinces and Berar for which a staple cotton may be found which will give the growers immediate increased profits. What effect will an increase in the supply of staple cotton and a decrease of short-staple cotton have on the prices of these two commodities? Is it desirable that India should enter the field as a large-scale producer of cotton which competes with American cotton and by so doing give up producing over a large area the cotton of which she has a virtual monopoly?"

I would just like to add in this connection that so far as I am aware, there is no type of cotton in India which can spin successfully 40 warp yet; there are types which can successfully spin 40 weft but as you want both warp and weft finer, the cotton that has been imported has become necessary.

Sir, I could understand somebody basing his support of this duty on the ground that, on account of these large imports, whether India produced these types of cotton or not, in some way or other the prices of Indian cotton have been affected and the interests of the cultivator have suffered. But I ask, as a matter of fact, if that has happened, and I say, Sir, with the utmost confidence that it has not. The end of August figures of the stocks in India of all types of cotton were amongst the lowest in the last few years, and that in a period during which there have been heavy imports of foreign cotton. If it were the case that the influx of large quantities of foreign cotton affected the off-take of Indian cotton, one could understand the arguments that have been advanced. But in view of the fact that the stocks of Indian cotton went down to a very low figure in a year of heavy imports, I do not think it can lie in the mouth of anybody to say that the foreign imports have been at the expense of Indian cotton. Another vital test in this connection is, "How far have the premia which the better types of cotton obtain in India suffered on account of these imports?" Have Navsari, Cambodia, Punjab-American and other types fetched lower premium than they used to on account of the fact that so much superior cotton has come into this country from abroad? So far as the figures which I have obtained go to show, I do not think that in the past season, the premia obtained for the better types of cotton have suffered. As a matter of fact, there is so much of demand for these better types of cotton on the part of Indian mills that I cannot think anybody would import these superior types of cotton so long as Surats and Cambodias and Navsaris and other types of cotton in India are available.

I would now briefly deal with some of the positive objections which I have to this duty. I would like to disabuse the minds of my Honourable friends of any idea that this duty is being merely opposed by the interests represented by the Bombay Millowners' Association. I have got here a few telegrams which go to support the case put up by my Association against the duty. There is a telegram from an Association which though it has come into existence only for the last three or four years, is one which you, Mr. President, will know very well, and that is the Bombay Shareholders' Association, of which you, Sir, were once the distinguished President. The Bombay Shareholders' Association are opposed to this duty on imported cotton. Last night I received a telegram from Mr. Jamshed Mehta, Chairman of a meeting of the Indian mercantile community held at Karachi also opposing this duty and supporting the representation of my Association. Then there is the Baroda Millowners' Association, and a body which I think might possibly carry a little more weight with some of my friends on the Treasury Benches and that is the Upper India Chamber of Commerce, who have a representative here, and who have wired to me, that they are opposed to this duty and that they support the case made out by the Bombay Millowners' Association. Then there is the Indian Merchants' Chamber of Bombay and the East India Cotton Association, and one or two other bodies. There is also a telegram, which has been just handed to me, from His Highness the Aga Khan which runs:

" Import duty Uganda cotton ruin Indians there. Besides duty against recommendation Commission Fiscal being on raw material. Will adversely affect most Indians in Africa my followers."

KUNWAR HAJEE ISMAIL ALI KHAN (Meerut Division : Muhammadan Rural) : May I know to whom this telegram is addressed ?

MR. H. P. MODY : My Honourable friend here (Sir Muhammad Yakub) has just handed it to me. I presume it was addressed to him, unless he purloined it from somewhere.

My second objection to this duty is that it goes against the recommendation of the Fiscal Commission which is against taxing raw commodities, particularly if there is no question of protection involved. I do not think my Honourable friend, the Finance Member, has based his duty on grounds of protection.

Then, Sir, I would like to say that its effect on the textile industry will be very injurious. The Textile Tariff Board, over which my Honourable friend, Sir Frank Noyce, presided with distinction, and which made a very admirable survey of the whole field of Indian textile operations—I must not be understood as saying that I support everything that my Honourable friend has said in his Report and in its recommendations, but I am free to admit that it is a most valuable document so far as the textile industry is concerned—recommended that the industry in India should go on to the production of finer and finer counts. I would like to tell the House how far the industry has succeeded in putting into operation the recommendation made by the Textile Tariff Board. In 1927-28 counts of 40s were produced to the extent of 11 millions lbs. ; in 1930-31 they were 31 millions. Above 40s the production in 1927-28 was 11 millions, in 1930-31 it was 27 millions. This year's figures will be even larger. We have gone on to finer and finer counts because we found that the coarser types were a drug on the market and if we hoped at all to replace the finer types of piecegoods coming from abroad, from Japan and particularly from Lancashire, we had to turn to the manufacture of finer counts. We have made notable progress. Are we going to have a set-back to that progress ? Is the industry to be forced to go back because of this duty to coarser counts ? I do not think that there can be any other but one answer to that question. But my Honourable friend, the Finance Member, will probably say " What about the surcharge on import duties ? " He has said that this surcharge more than offset the half-anna duty on raw cotton. I am not going to quarrel about words, but I certainly dispute the statement that it will more than offset it. It will just about balance, with perhaps a trifling disadvantage on our side. But there is this consideration, that even if it is the case that the half-anna import duty on cotton is offset by the increase in the duty on imported piecegoods, the price of cloth will go up. That is an important factor irrespective of whether Lancashire's capacity to compete with us is affected one way or the other. There is no denying the fact that with the half-anna duty on imported cotton, the price of the finer cloth must go up correspondingly and to that extent, the marketing of finer cloth must be affected. As regards yarn, the duty of half anna is not offset by the increase in the import duty, and an increase in the price of the finer counts of yarn made by Indian mills must follow to the prejudice both of mills and of the hand-loom weavers who use their yarn.

There is just one more point, and that is, a rather curious result seems to have arisen from the duty which has been levied. Cotton coming from certain Indian States also has been subjected to this half-anna duty. I have before me here the orders issued by the Collector of Customs.

" Cotton imported from any port in Kutch is dutiable under the present tariff. Importations from any port in Kathiawar except the ports of Bhavnagar are also dutiable unless it is proved to the satisfaction of the Collector of Customs that the cotton imported from any such Kathiawar port has been produced in Kathiawar."

Many complaints reached me in Bombay that cotton coming from the Indian States was subjected to this duty of half anna per pound. I do not know, Sir, whether it was the deliberate intention of the Finance Member that such cotton should be taxed ; but if it was not, I submit for his consideration whether he will not do away with this anomaly.

I would here like to make a suggestion, a suggestion which, I hope, will not go the way of the hundred and one suggestions which have been made in the course of the last four or five days. My suggestion would be that if my Honourable friend's object is to get a little revenue, not too much though, and if his object is also to protect the Indian cultivator without affecting a national industry, he should bring forward some measure calculated to tax imported cotton under an inch staple. It would be I think fairly easy to determine that. In any case if he gave an exemption in the case of cotton from Egypt and from Uganda, which is admittedly above an inch staple, I think he would be taxing just that type of cotton which entered into competition with Indian cotton.

One more point, Mr. President, and that has relation to a remark which my Honourable friend, the Finance Member, let fall in the course of his concluding speech the other day. He sort of hinted—I do not know whether I could construe it as a threat—that the millowners must guard against any raising of the price of cloth. Might I point out to my Honourable friend and to my friends on this side of the House, that so far as the price of cloth is concerned it is the lowest in the last 16 years. From 1921 the duties on imported cloth began to go up, and successive rises in duties have taken place, and yet to-day the price of cloth is the lowest it has been in the last 16 or 17 years. Large sales of cloth were effected during this very week, during the *Dewali* week, and they were at a price which did not even give an economic return to the mills, and that in spite of the fact that since Britain went off the Gold Standard the price of Indian cotton has gone up by Rs. 50 a candy, which means one anna per pound. In spite of that increase in the price of cotton and in the changed outlook, to-day mills in India are realising a price which is not even an economic price, and which is certainly lower than the price which the consumer has known for many many years. Therefore let my Honourable friend assure himself and take the opportunity of assuring others that so far as the mills are concerned, there can be no question of profiteering for at least as far ahead as I can see.

Sir, for the various reasons which I have placed before the House, I hope that this side of the House—and I trust the boundaries of this side of the House will extend a little further than they did this morning—will stoutly oppose this duty on cotton, and that my Honourable friend, the Finance Member, will see his way to come forward with a measure less open to objection.

APPENDIX 11.

IMPROVEMENT OF INDIAN COTTON.

Copy of Circular No. 1194, *dated* 16*th November* 1931, *to the Association from the Indian Central Cotton Committee, Bombay.*

Subject :—COTTON IMPROVEMENT IN INDIA.

I have the honour to refer to the pamphlet entitled " Cotton Improvement in India " issued by the Committee which was recently supplied to you and to say that my Committee would much appreciate an expression of opinion by your Association on the chapter* dealing with the future work and policy.

CHAPTER IV.

Proposals for Future Work.

The further expansion of the Committee's programme of work must be regulated by the funds at its disposal and by the future of the schemes now in operation while the rate of expansion will to a large extent depend on the policy which the Committee adopts with regard

* *Vide* Chapter printed below.

to the schemes now being financed. Botanical schemes will require at least a decade before reliable results are available and even then the strain obtained must not be considered the be-all and end-all of all improvement. This is continuous and must be persevered with. The question therefore to be answered is " Will the Committee supply any finance for this work or will the Local Governments be expected to take it over completely after a certain number of years ? " Schemes other than Botanical can be closed down when the information for which they were started has been collected but improvement of the variety and the maintenance of that improvement must always go on.

The same question has to be answered with regard to the Seed Extension Schemes. The Committee has accepted the principle that its funds may be used for the rapid spread of the seed of an improved strain or variety of cotton. Is it the intention of the Committee to finance this work indefinitely or only for a fixed number of years after which the responsibility will rest on the Local Government ? Even though the whole of a tract is under an improved variety, a considerable amount of impurity will exist and if a regular supply of pure seed is not maintained the bad seed will drive out the good. The existence of a seed distribution organization will be of great assistance when the time comes to replace any variety by an improved one.

On its decision regarding the financing of its existing schemes will depend the rate at which other schemes can be taken in hand by the Committee. Below are given my views on work that remains to be done.

The policy of the Bombay Agricultural Department has been to introduce one improved variety, viz., 1027 *A.L.F.* in the Surat and Broach area, but in spite of their efforts an inferior variety—1*A*—is spreading rapidly. The Department is striving to obtain a strain combining the desirable characters of the two cottons, viz., the high ginning percentage of 1*A* and the better spinning qualities of 1027. It was hoped this was achieved in the strain 5^1 but though it appears to be as fine as 1027, spinning tests show that it lacks strength ; 5^1 has a higher ginning percentage than 1*A* so that from that point of view success has been achieved. With a little more work there should be little difficulty in obtaining a variety which will be readily adopted by all the growers of this important cotton tract. The prevalence of *wilt* in this area makes the growing of a wilt-resistant strain necessary and as practically no work has hitherto been done in this direction it is suggested that the Committee should finance a botanical scheme for this area with the object of obtaining a wilt-resistant strain of cotton having at least as high a ginning percentage as 1*A* and spinning qualities as good as 1027 *A.L.F.*

As regards the *Dholleras* crop which amounts to over half a million bales, very little has so far been achieved. A botanical scheme to produce improved varieties of this very important constituent of the Indian crop, financed in part by the Committee, would not come amiss provided the provision of funds by the Committee meant an increase in the number of workers.

The problem in Sind is for the moment different from the problem in other parts of India where the cotton area is established. The Agricultural Department is for the time being concentrating on a suitable variety or varieties to give out to the growers in anticipation of the large increase in the area of cotton likely to be sown when the Barrage opens. The botanical work is being financed entirely by the Bombay Government and the physiological work by the Committee. It may be necessary for the Committee to increase its grant by a substantial amount when the present work develops further.

In the Madras Presidency, *Cambodias*, *Tinnevellys*, *Northerns*, *Westerns* and *Cocanadas* have each been improved and the improved strains now cover many thousands of acres. A small Seed Extension Scheme is in operation for *Cambodias* in the Coimbatore District but no help of any sort has been asked for from the Committee for the improvement or extension of any of the other varieties. Seed Extension Schemes for the rapid dissemination of the improved varieties already in hand, which would add materially to the growers' profits and supply mills with larger quantities of improved cottons, are greatly to be desired.

No work has been done hitherto to improve the *Barsi-Nagar Oomras* cottons which in the latest forecast amount to 262,000 bales. A botanical scheme could with advantage be started here as well as an investigation into the very low yield obtained from this tract.

A scheme was put forward by the United Provinces Government for work on the *desi* cottons of that Province, but was not accepted by the Committee as it entailed capital expenditure on buildings. The U. P. Bengals are a very important constituent of the Indian crop and something should be done to improve the cotton of this tract. An increase of even Re. 1 per acre to the profits of the United Provinces cotton grower means in the aggregate an annual sum of Rs. 8¼ lakhs which is being lost by delay.

The success of the improved varieties of Burmese cotton is dependent on an improvement in cultural methods, and at the last meeting the Committee sanctioned a scheme working towards this end.

The investigation into the damage done by the *Pink Boll-worm* in the United Provinces and the devising of methods to combat the pest have been completely successful. Experiments have shown that the elimination of this pest would add Rs. 30 an acre to the grower's profits or an aggregate of Rs. 2½ crores per annum. The Committee cannot allow this valuable piece of work to die of inanition. The experimental heat treatment of all seed in the Aligarh District was so encouragingly successful last year that something should be done to extend the practice over the whole of the cotton-growing districts of the United Provinces and the badly infested portions of the Punjab. The principle of helping to bring into practice the successful results of Research Schemes has been accepted by the Committee and the first instance of this was its decision to help the Bombay Agricultural Department with funds to eliminate the *Spotted Boll-worm* in Surat by clean-up measures. It is to be hoped that no difficulties will be put in the way of aiding the United Provinces Agricultural Department in their efforts to get rid of the *Pink Boll-worm* from the crop. The experiment in the United Provinces will be of great value to the South-East Punjab and the surrounding Indian States in Rajputana and Central India and also to the north of the Central Provinces.

Where these two *Boll-worm* pests are prevalent, an effort should be made to find out how they are carried over from year to year as a preliminary to further action depending on the results of the operations in Surat and in the United Provinces.

It is too early yet to anticipate the results of the investigations into *White Fly*, *Jassids* and *Stem Weevil*, and until these results are forthcoming it is impossible to forecast what help the Committee can give.

In all *wilt*-infected areas not already tackled, it is suggested that the Committee should start schemes of breeding for wilt-resistance, e.g., in Khandesh and Broach. The fundamental research into *wilt* should, I consider, be concentrated at the Indore Institute which should be provided with all the necessary facilities for carrying out the work. All other *wilt* work, except that part devoted to the production of wilt-resistant strains, should be closed down.

An investigation into *Root Rot* is necessary, as it is much more widely spread than is generally realized. The Committee should, I consider, finance a scheme for this purpose because the disease appears to be found over all the cotton-growing areas of India.

Another piece of work which deserves attention by the Committee is an investigation into the cause of excess leafiness in certain types of Indian cotton, e.g., *Kumptas* and *Gaoranis*. This could be done as an adjunct of the existing schemes. The extreme leafiness of these cottons detracts considerably from their value and prevents them being freely exported.

The Committee has under consideration a scheme for investigating the cost of growing cotton under conditions of peasant proprietorship in each of the main cotton-growing Provinces and States in India. When completed this should be a valuable and authoritative piece of work because of the many conflicting views at present held on the subject.

Letter No. 3293, *dated* 12*th December* 1931, *from the Association to the Indian Central Cotton Committee.*

I am directed to acknowledge the receipt of your circular No. 1194 dated the 16th November 1931 in which you stated that you would appreciate an expression of opinion by the Association on the future work and policy of the Indian Central Cotton Committee as outlined in the brochure entitled " Cotton Improvement in India."

I much regret that, owing to the late receipt of the views of members of my Committee, it is not possible for me to forward the considered views of the Association, and what follows in this letter merely reflects the various view-points which have been expressed by individuals.

It is the general view of the members of my Committee that the work hitherto accomplished by the Central Cotton Committee has been of definite value to the cotton trade and the agriculturist generally. Even if the Committee had done nothing else, its efforts in preventing a considerable deterioration of the quality of the Indian cotton crop as a whole during the last few years would have justified its existence. With this view-point, one of our members appears to disagree, and he is of the opinion that the results so far obtained are entirely incommensurate with the expenditure which has been incurred, especially in the direction of technological research. He points out that the Punjab/American crop has definitely depreciated ; that there has been no improvement in the Kumpta/Dharwar crop, and that it suffers to a greater extent from black leaf than in the past ; that the value of Karunganis has definitely gone back ; and that the great hopes which were entertained in regard to Verum cotton some two years ago have not been realized. Other members appreciate the valuable preliminary work which has taken place, and which has resulted in the production on a commercial scale of new or improved types of cotton such as Jaiwant, Verum, Banila, Farm Westerns and Farm Uplands. They also agree that the introduction of the Cotton Transport Act in certain districts has gone some way to reduce the extent of the malpractice of mixing in those areas. At the same time, they feel that the time has now arrived when one might expect more appreciable results in the direction of improving the Indian cotton crop generally. There is a consensus of opinion that certain crops have definitely deteriorated even during the last few years in spite of the work of the Central Cotton Committee and the various Agricultural Departments. In this connection, particular mention might be made of the Punjab/American, C.P. and Hyderabad crops, or at any rate, that portion of these crops which finds its way to Bombay.

Proposals for future work.—As regards the proposals for future work outlined in the Central Cotton Committee's brochure, members are generally of opinion that a greater portion of the Central Cotton Committee's funds should be utilized for the purpose of purchasing and distributing seed of improved strains or varieties of cotton to agriculturists throughout definite areas, in which it has been proved to the satisfaction of the Agricultural Department concerned that the growth of such cottons will be a benefit to the agriculturists.

Members of my Committee also agree that further expenditure would be justified, in view of the excellent results achieved, in extending the practice of heat treatment of seeds over the whole of the cotton growing districts of the United Provinces, and certain portions of the Punjab, for the prevention of Pink Boll Worm damage.

As regards the Surat tract, it is difficult to say whether the spread of the cultivation of 1027 A.L.F. is really in the best interests of the agriculturists, who apparently prefer to grow the inferior 1A variety, on account of the greater monetary return which it gives them. At the same time, my Committee appear to agree that it would be inadvisable, from the mills' and exporters' points of view, to countenance the growth of an inferior variety of cotton throughout this valuable cotton growing area ; and they, therefore, feel that it is desirable to continue investigations for the purpose of producing a type of cotton which could be grown successfully in this area, which would have the spinning qualities of 1027 A.L.F. and would, at the same time, yield financial results to the agriculturists equal to those now obtained by growing the inferior 1A variety.

While not definitely opposed to expenditure on schemes for the prevention of the boll worm in the United Provinces, physiological work in Sind, botanical schemes for Barsi-Nagar, investigation of root rot, and a general investigation into the cost of cotton growing, the opinion has been expressed that these matters are of considerably less importance than the three schemes commented on above.

In connection with the general policy which should be followed in regard to the production of cotton in India, members of my Committee are of opinion that, in most parts of the country, it might be generally advisable to grow cotton of a staple under $\frac{3}{4}$ inch ; but at the same time, there is undoubtedly an increasing market for cottons capable of producing 30s to 50s counts of yarn. This is demonstrated by the following figures which show the production of yarn of over 30s counts in India during the last five years :—

(Figures in thousands of pounds.)

Year.	Counts 30s-40s.	Above 40s.
1926	26,645	10,435
1927	31,643	11,899
1928	35,370	9,454
1929	45,719	14,212
1930	56,657	23,612
1931 (7 months—Jan./July).	41,124	19,834

For these yarns, Egyptian, American and Uganda cottons are at present largely imported, and there would appear to be no insuperable difficulty in replacing at least the imports of Uganda and the better classes of American, to a large extent by cotton grown in India, if the problem were really taken in hand. This at once fastens attention on the possibility of the Sukkur Barrage area, and certain other areas, where irrigated cotton can be grown, and certain members of my Committee feel that it should not be outside the bounds of practical politics for the Indian Central Cotton Committee and the Agricultural Departments concerned to lay down a programme for the growth and marketing of increasing quantities of certified cotton capable of producing finer counts of yarn.

Another suggestion which has been made to us is that the activities of certain Co-operative Sale Societies, whose members grow improved varieties of cotton in the pure state, should be extended so as to include facilities for ginning and pressing of such cotton. At the present time, this cotton, though marketed through the co-operatives, is sold as lint or seed cotton to merchants, and at this stage control is lost, and very often the purchaser—who has paid a reasonable premium for the cotton—deliberately mixes it with inferior types of cotton grown in the same locality ; and it is in this state that it reaches Bombay and other large consuming centres, where it is sold under the name of the superior cotton of which it contains a proportion, with the result that the millowner gets an entirely wrong idea as to the spinning properties of the improved cotton which he has nominally purchased. It is realized that before the co-operatives could do their ginning and pressing, as suggested above, they would probably require financial assistance of some sort, and the Central Cotton Committee might, it is thought, consider favourably the utilization of some of their funds for an experiment of the type indicated. It has often happened in the past that special types propagated by the efforts of the Indian Central Cotton Committee and the Agricultural Departments have been robbed of their value in the process of marketing, and this is calculated to affect ultimately the value which the agriculturist receives for such types. It is the considered view of the members of my Committee that cotton of such types should not pass out of the hands of the agencies under whose auspices it is sold except in the form of pressed bales, and it is highly essential that immediate practical steps should be taken by your Committee for the purpose of placing within the reach of such agencies ginning and pressing facilities such as would effectively prevent the mixing which so often takes place.

Another suggestion which has been put forward by members of my Committee is that generous prize schemes might be financed by the Central Cotton Committee for agriculturists in all districts, similar to those in America, by which monetary prizes are given for clean cotton, yield per acre, etc., grown by agriculturists from seed supplied to them by the Central

Cotton Committee. Periodical exhibitions also would be of value in stimulating interest among the agriculturists and the trade generally in the various efforts made by your Committee and the Agricultural Departments for the improvement of the class and staple of various types of cotton.

It is not known how far the Indian Central Cotton Committee keeps in touch with the consumer with a view to ascertain the precise value which he attaches to the special types of cotton produced by its labours. Whenever a special type is produced, it would appear desirable to trace its ultimate destination as far as practicable, so that a continual check is kept on the methods of marketing such cotton. For instance, as stated above, one of our members has found that Verum cotton has recently deteriorated to a considerable extent. If, on investigation, this was found to be correct, it might afford your Committee valuable means of tracing the factors which have operated to throw back the quality of this cotton and take measures accordingly for the purpose of rehabilitating its value in the eyes of the consumer.

APPENDIX 12.

STANDARDS OF EAST AFRICAN COTTON.

THE EAST INDIA COTTON ASSOCIATION, LIMITED.

Report of a meeting of the Special Appeal Committee on African Cotton held at 3-30 p.m. on Wednesday the 1st April 1931, in the Board Room, Taj Building.

Present :—

R. G. Saraiya, Esq. (*Chairman*),
J. C. Suntook, Esq.,
Y. Kitamura, Esq.,
Chandulal P. Parekh, Esq.,
H. F. Milne, Esq.,
Ahmed F. Currimbhoy, Esq.,
Lowji Meghji, Esq.,

and in attendance the Secretary and Assistant Secretary.

Mr. F. D. Nanavati was also present on behalf of Mr. D. P. Nanavati, the official maker of standards to the Association.

Considered letter dated 17th March 1931 from Mr. D. P. Nanavati on the subject of standards for Uganda Cotton.

The Committee appreciated the practical difficulties pointed out by Mr. Nanavati in his letter for preparing proper standards representing the AR quality of Kampala, Busoga and Jinja descriptions, with particular reference to staple and agreed to make the following recommendations to the Board for their consideration and approval :—

1. That the Committee are unanimously of the opinion that as it is not at all feasible to prepare standards representing the staple lengths of Kampala, Busoga and Jinja descriptions, standard boxes representing the grade only be prepared and submitted to the Committee for their approval.

2. That in the opinion of the Committee the following minima staple lengths be prescribed as a tentative measure, for the descriptions as shown below :—

AR Kampala	1 1/16″
AR Busoga	1″
AR Jinja	

3. That the seller shall not be entitled to claim " on " allowances for staple exceeding the minima lengths as prescribed above, unless the contract contains a specific clause to this effect.

4. That recommendations Nos. 1, 2 and 3 shall be applicable to contracts for the season 1931.

5. That the question of revising the standards as well as of determining the minima staple lengths of these descriptions of Uganda cotton be reconsidered by the Committee next season in the light of the experience that may be gained during the current season.

D. MEHTA,
Secretary.

Letter No. 1116/151, *dated the* 19*th May* 1931, *from the Association to the East India Cotton Association, Limited.*

The attention of my Committee has been drawn to a draft notice which the Board of your Association proposes to publish on the recommendation of a special Sub-Committee, regarding the basis of surveys for Uganda Cotton. Clauses (2) and (3) of the notice read as follows :—

(2) The following minima staple lengths be prescribed as a tentative measure for the descriptions shown below :—

AR Kampala	1 1/16″
AR Busoga AR Jinja	1″

(3) The seller shall not be entitled to claim " on " allowances for staple exceeding the minimum lengths as prescribed above " unless the contract contains a specific clause to this effect.

The members of my Association using East African cotton who have been consulted in the matter, are unanimously of the opinion that the proposed minimum lengths are too low, and that the buyers' interests are not adequately protected under the recommendations. It has been pointed out to us that when mills have to pay a heavy premium over Broach for African cotton, it is inequitable to fix the minimum staple lengths for Jinja, Busoga and Kampalas at 1″, 1″ and 1 1/16″ respectively. My members maintain that as the average staple lengths of these cottons is very much higher than the above figures, minimum staple lengths should not be fixed lower than :—

AR Kampala	1 3/16″
AR Jinja AR Busoga	1 3/32″

Anything less than these staple lengths would inadequately protect buyers, since it would rule out the possibility of their obtaining any redress from sellers who tendered cotton of staple lengths entirely unsuited for the counts of yarn for which Uganda cotton is commonly used. Such low minimum lengths might also lead to mixing of cottons, which has done so much to damage the good name of Punjab-American and other Indian cotton. For these reasons my Committee are of opinion that the present recommendations of the special Sub-Committee should be rejected by the Board of the East India Cotton Association.

Letter No. 7329/*A*/75, *dated the* 27*th May* 1931, *from the East India Cotton Association, Limited, to the Millowners' Association.*

I am directed to acknowledge the receipt of your letter No. 1116/151 of the 19th May 1931 and to say that the same was laid before the Board of Directors of my Association who

have resolved that the question of the prescription of staple lengths for Uganda cotton be referred to the Boyagis Sub-Committee appointed by the Board to go into the question of establishing a suitable basis for holding surveys on Uganda cotton for favour of their consideration and report.

I am to add that a further communication will be made to you in the matter after the Board has considered its report and passed orders thereon.

Letter No. 1215/151, *dated the 28th May* 1931, *from the Millowners' Association to the East India Cotton Association, Limited.*

STANDARDS OF EAST AFRICAN COTTON.

I am directed to acknowledge receipt of your letter No. 7329/A/75, dated the 27th May 1931, and to request that the recommendations of the Boyagis Sub-Committee may be furnished to my Committee as early as practicable.

Report of a meeting of the Sub-Committee appointed by the Board of the East India Cotton Association to go into the question of establishing a suitable basis for holding surveys on Uganda cotton, held at 3-30 p.m. on Wednesday, the 27th May 1931, in the Board Room, Taj Building.

Present :—

G. Boyagis, Esq. (*Chairman*),
Sir Manmohandas Ramji, Kt.,
R. G. Saraiya, Esq.,
Chandulal P. Parekh, Esq.,
Y. Kitamura, Esq.,
S. D. Saklatvala, Esq.,
J. L. Hamilton, Esq.,

and in attendance the Secretary and Assistant Secretary.

Read and considered :—(*a*) Letter No. 1116/151, dated 19th May 1931, from the Secretary, Bombay Millowners' Association, on the subject of staple lengths for Uganda cotton.

(*b*) Letter dated 22nd May 1931 from Mr. Jamnadas Ramdas on the same subject.

The Chairman said that the Sub-Committee was asked by the Board to consider Clauses Nos. 2 and 3 of the draft notice relating to staple lengths of Uganda cotton and to submit their report to them in the light of the views expressed in the letters, with the contents of which they were now familiar. He was of the opinion that the question of prescribing suitable staple lengths for the three main varieties of Uganda cotton presented special difficulties inasmuch as sufficient data were not available upon which the Sub-Committee could base their own recommendations as regards staple lengths. Personally, he felt that the staple lengths as recommended by the Special Appeal Committee on African Cotton and approved by the Board, appeared to be rather on the low side. He reiterated that the question of prescribing staple lengths not only bristled with difficulties but also presented a great deal of controversy. It, therefore, behoved them when discussing this problem that they should proceed cautiously in the matter and make an exhaustive examination of the question from the viewpoint of both the consumer and the seller of Uganda cotton with a view to arriving at an impartial decision which may not jeopardise the interests of either of the two parties.

Sir Manmohandas Ramji and Mr. S. D. Saklatwala strongly advocated the view expressed by the Millowners' Association in their letter under reference and pressed for the prescription of staple lengths of Kampala, Busoga and Jinja cottons as recommended by the

Millowners' Association. Both these gentlemen apprehended that in case the staple lengths as prescribed by the Special Appeal Committee on African Cotton were finally accepted by the Board, even though as a tentative measure, it would adversely affect the interests of *bona fide* consumers of Uganda cotton as they utilised the same for spinning high counts of yarn.

Mr. R. G. Saraiya and Mr. C. P. Parekh supported the recommendations made by the Special Appeal Committee on African Cotton with regard to the fixing of staple lengths and pointed out that cotton tendered against a contract, the staple of which would be found to be below the minima prescribed, would be rejected. Further they argued that it was always open to the consumer of Uganda cotton to buy on types in order to ensure the quality and staple of the right type of cotton for his spinning requirements. It was also open to the consumer to insert a clause in the contract regarding the requisite staple length in order to ensure his requirements being fulfilled. They were not in favour of raising the minima staple lengths as, in their opinion, such a step would restrict trading in that class of cotton, particularly having regard to the fact that the quality of the crop varied from year to year.

Mr. Saraiya stated that the data on which the Special Appeal Committee on African Cotton had based the minima staple lengths were the staple lengths as given in the Graders' Report as approved by the Standards Committee of the Association at the time of selecting samples of these varieties of cotton to be submitted to the Technological Laboratory and submitted that his reasons for recommending 1/16″ lower staple than that contained in that report was based on the analogy that the Board had prescribed ⅞″ staple for Navsari cotton, although in the opinion of the trade generally the staple of that cotton was 15/16″.

Mr. Kitamura said that at the meeting of the Special Appeal Committee on African Cotton, he had in the first instance suggested that no staple lengths be prescribed, but that the question be left to the surveyors, who should judge the staple length on the basis of the fair average staple of the season.

Mr. Hamilton said that it would be in the general interest of the trade in Uganda cotton, if the Sub-Committee before arriving at any definite decision in the matter would call for reliable data based upon concrete experiments from the Director, Technological Laboratory of the Indian Central Cotton Committee, and then put forward their proposals regarding staple lengths to the Board for their consideration.

The Chairman in winding up the debate observed that it was obvious that representatives of both buyers and sellers had approached the question from different viewpoints. He said that the data available at present upon which the Sub-Committee could take a decision regarding staple lengths were insufficient and unauthoritative and suggested that it would be necessary to obtain reliable and helpful guidance in the matter. He was of the opinion that the most valuable instrument for securing this knowledge would be the Technological Laboratory for carrying out a series of tests on these varieties of cotton over a sufficiently long period with a view to ascertaining the approximate staple lengths.

After the question of prescription of staple lengths had been considered in all its bearings, the Sub-Committee agreed that recommendation No. 1 made by them at their meeting held on 16th December 1930, *in so far as it related to the provision of standards representing staple be rescinded.* Further, they agreed that the following recommendation which they had made in their report of 2nd May 1929 be adhered to :—

> " With regard to the question of staple stipulation to be made in regard to contracts for purchase and sale of various descriptions of African cotton, the Committee were unanimously of the opinion that it would be impolitic at present to lay down any staple length for any of the varieties of these standards. They, however, consider that as a tentative measure, the buyer would be sufficiently protected against the staple question if a general stipulation, viz., " staple to be equal to the sellers' private type so and so" were specified in the contract."

The Sub-Committee also agreed with the Chairman that the question of staple lengths was one involving great difficulty and controversy and were of the opinion that the staple lengths proposed by any committee with insufficient data should not be accepted. They, therefore, recommended that with a view to arriving at some authoritative basis on which to decide staple lengths, samples of fair average quality of Kampala, Busoga and Jinja cottons be forwarded to the Director, Technological Laboratory, over one entire season for the purpose of determining staple lengths. They were, however, of the view that the data which may be made available at the end of the period would not be necessarily binding upon the Sub-Committee, but were intended merely to serve as a basis for further discussion and consideration with a view to enabling the Trade to arrive at a satisfactory solution of the staple problem.

D. MEHTA,
Secretary.

Circular No. 8158/466/*A*/75, *dated the* 1*st July* 1931, *from the East India Cotton Association Limited.*

IMPORTANT NOTICE.

It is hereby notified for the information of members and other persons who deal in Uganda cotton that the Board of Directors of the Association have accepted the following recommendations made by the Sub-Committee appointed by the Board to go into the question of establishing a suitable basis for holding surveys on Uganda cotton and also made by the Special Appeal Committee on African Cotton :—

(1) In view of the question of adopting standards of Uganda cotton having not yet been finally settled, and as a temporary period has to be bridged until it is so settled, the Board has decided to instruct the Official Maker of Standards to the Association to prepare standards representing the AR quality of the season for Kampala, Busoga and Jinja. These standards have now been prepared and approved of by the Special Appeal Committee on African Cotton.

(2) With regard to the question of staple stipulation to be made in regard to contracts for the purchase and sale of various descriptions of African cotton, the Committee are unanimously of the opinion that it would be undesirable at present to lay down any staple length for any of the varieties of these standards. They, however, consider that as a tentative measure, the buyer would be sufficiently protected against the staple question if a general stipulation, viz., " staple to be equal to the sellers' private type so and so " were specified in the contract.

They have further recommended that with a view to arriving at some authoritative basis on which to decide staple lengths, samples of fair average quality of Kampala, Busoga and Jinja cottons be forwarded to the Director, Technological Laboratory, over one entire season for the purpose of determining staple lengths. The data which may be made available at the end of the period would not be necessarily binding upon the Sub-Committee, but would serve as a basis for further discussion and consideration with a view to enabling the Trade to arrive at a satisfactory solution of the staple problem.

(3) The buyer shall be entitled to reject the cotton if the final award in arbitration, or, on appeal, exceeds 2½ per cent. " off " the market rate of the day on which the cotton is surveyed and/or appealed on.

All these recommendations as detailed above shall be made applicable to contracts entered into for Uganda cotton *on and after* the 10th day of July 1931.

The question of revising the standards as well as of determining the minima staple lengths of these descriptions of Uganda cotton will be considered by the Special Appeal Committee on African Cotton in conjunction with the Sub-Committee appointed by the Board next season in the light of the experience that may be gained during the current season.

By order of the Board,
D. MEHTA,
Secretary.

APPENDIX 13.

THE BOMBAY COTTON CONTRACTS ACT COMMITTEE.

Letter No. 7745-D, *dated the* 12*th January* 1931, *from the Secretary to the Government of Bombay, Finance Department, to the Association.*

Subject :—COTTON CONTRACTS ACT COMMITTEE : REPORT.

I am directed by the Governor in Council to forward herewith a copy of the Report of the Cotton Contracts Act Committee with a request to favour Government with the comments of your Association on the proposals contained therein at an early date.

REPORT OF THE BOMBAY COTTON CONTRACTS ACT COMMITTEE.

Recommendations.

We summarise our main proposals below. We recommend :—

(1) *Paragraph* 3.—That a single association shall be given control of dealings in cotton and that the passing of contracts contravening by-laws drawn up by the Association and sanctioned by Government shall be made an offence punishable with fine ; that all forward business shall be done through members of the Association and that the Act shall prevent the formation of other associations for the control of forward business.

(2) *Paragraphs* 4-14.—We recommend that the constitution of the East India Cotton Association shall be amended. The proposals of the majority and the minority are given in parallel columns :

Majority.	*Minority.*
The Board of Directors to consist of 16 members, 4 each to represent Buyers and Sellers, 6 to be elected without reservation and 2 to be nominated to represent Growers. Election to be by the General Body, 1 member 1 vote. For the purpose of the first election existing Panels 1 and 2 to be combined to form the Buyers' section, and Panels 3, 4 and 5 to form the Sellers' section. Thereafter candidates for election to be selected by a Nominating Committee. The special representation of the Buyers and Sellers to cease after the sixth election after which there should be no reservation of seats.	The Board to consist of 16 members, 4 each to represent Buyers and Sellers and 6 the Brokers. Each section to be elected by the members of the existing panels combined as recommended in the Majority Report, the Brokers' Panel remaining as at present. Two representatives of the Growers to be nominated.

(3) *Paragraph* 15.—That the present emergency powers of the Board shall be transferred to the General Body of the Association.

(4) *Paragraphs* 16 *and* 17.—That the three existing Hedge Contracts shall be retained with the addition only of Kumpta and Upland growths of the Dharwar district to the Broach contract.

(5) *Paragraph* 18.—That forward trading shall be for single months throughout the year.

(6) *Paragraph* 19.—That the unit of tender shall be 50 bales.

(7) *Paragraph* 20.—That Blind Surveys shall be introduced at once.

(8) *Paragraphs* 23-27.—That the Association shall take power to establish Bonded Warehouses one year after the system of Blind Surveys has been introduced.

(9) *Paragraph* 28.—That there shall be fixed trading hours for forward business.

(10) *Paragraph* 29.—That the power of the Board to close the market in a crisis shall be limited to three consecutive days.

(11) *Paragraphs* 31-33.—That the Association shall take over complete control of all Forward trading both in the Bazaar and at Sewri, and shall provide a building in the Bazaar as soon as possible. A Ring Committee shall be elected for the purpose of this control.

(12) *Paragraph* 34.—That fixing of differences between standard growths and between different grades shall be done by the Board themselves on the first day of each delivery period.

(13) *Paragraph* 35.—That fluctuations of prices in the Forward market shall be regularly registered and published.

(14) *Paragraphs* 37-40.—That Teji Mandi dealings shall be brought under control by the enforcement of cash premia and regular payment of differences through the Clearing House.

(15) In paragraph 41 we make certain recommendations for the reduction of handling charges.

G. WILES, *Chairman.*
PURSHOTAMDAS THAKURDAS.
JOSEPH KAY.
N. N. WADIA (subject to a minute of dissent).
W. LAMOND.
A. FOTIADI.
PURSHOTAM JIVANDAS.
KISHAN PRASAD.
SHIVPRATAP JOSHI.
BEGRAJ GUPTA.
DURGADUTT SAWALKA.
BHIMBHAI R. NAIK.
C. S. SHIRHATTI.

Minute of Dissent by Sir Ness Wadia.

I regret that I have to write this Minute of Dissent and to differ from my colleagues on the Committee on four fundamental points, the more so as I was originally a Member of the MacKenna Indian Cotton Committee of 1917-18 whose recommendations led to the

formation of the East India Cotton Association, and on whose recommendations I was requested to proceed to Liverpool and prepare a scheme for the purpose of establishing such an Association here.

I. The first point on which I am obliged to differ from the other members of the Committee has reference to the placing by the East India Cotton Association of the control of the Ring in the hands of the Cotton Brokers' Association.

In Chapter 18, paragraph 252 of their Report, the MacKenna Committee expressed their opinion as follows :—

> " We are of opinion that the time has arrived for the establishment in Bombay under a Royal Charter of a Central Body similar to the Liverpool Cotton Association to control trade. This body which may be known as the East India Cotton Association should take the place of the seven different associations at present existing, the different interests concerned being represented on it."

When this Committee began discussing the main question whether there should be a Central controlling body in Bombay, it was only by accident that I learnt that at present the Ring of the East India Cotton Association was under the direction and control of the Cotton Brokers' Association. I am at a loss to understand why a body like the East India Cotton Association established under Bombay Act No. XIV of 1922 should have delegated such an important duty as the control of the Ring to the Cotton Brokers' Association.

Under Section 3 (1) of Bombay Act No. XIV of 1922, it is provided that

> " The Board may make By-laws for the regulation and control of transactions in cotton."

Under Clause III (*b*) of the Memorandum of Association of the East India Cotton Association, one of the objects of the Association is stated to be

> " To control, promote and regulate the cotton trade in the Presidency of Bombay and elsewhere in India."

Under Clause III (*c*) (*f*) of the Memorandum of Association, another of the objects of the Association is stated to be

> " To establish, take over, control, manage or regulate the cotton market in Bombay or the cotton market or markets in any part of India."

By Article 74 of the Articles of Association of the East India Cotton Association, the Association is expressly empowered to make, alter, add to or rescind By-laws in regard (*inter alia*) to

> " the times when the Exchange or Clearing House shall be open and when closed, and the rights and privileges of the Original Members, Members, Associate Members and Special Associate Members in regard to the use thereof and the circumstances in which Original Members or Members or Associate Members or Special Associate Members shall be disqualified from using the same and the Holidays to be observed,"

and

> " Admission to and exclusion from the Exchange and Clearing House, the visitors, if any, to be admitted thereto, and the terms and conditions of their admission and the privileges to be accorded to them."

It is, I submit, clear, from the Section, Clauses and Articles which I have quoted, that one of the fundamental duties of the Board of the East India Cotton Association was to regulate and control all transactions in cotton, and with that end in view to frame By-laws

regulating the places where, the times at which, and the conditions under which transactions in forward and ready dealings in cotton should take place and to exercise full and complete control over all such transactions by controlling the Ring. I have been unable to obtain any explanation of the action of the Board of the East India Cotton Association in failing to undertake and carry out this fundamental duty of the Association as declared by the Legislature and its own constitution, and in entrusting it to another party.

Further, I learnt that until last March all morning transactions in Ring trading were allowed to be done in the Brokers' Association Hall in the Marwadi Bazaar where only members of the Brokers' Association are privileged to enter (although I am informed that no member of the East India Cotton Association who desired to enter the Hall to trade in the Ring was prevented from doing so), and all afternoon transactions in the Ring of the East India Cotton Association at Sewri. Since last March, however, I understand that both morning and afternoon transactions are done in the Ring of the Brokers' Association in the Marwadi Bazaar and that the Brokers' Association now declare, without any previous reference to or sanction from the Board of the East India Cotton Association, on what days the market shall be closed and trading prohibited.

Further, to my great surprise, I learnt that there were 150 sub-brokers of the Brokers' Association known as "Special Associate Members" who were privileged to trade in this Ring although not Members of the East India Cotton Association, on payment to the Brokers' Association of an annual subscription of Rs. 11.

I have therefore insisted in Committee that the control of the Ring must be invested in one controlling body, the East India Cotton Association, if and when a new Act is passed. The brokers accept this condition provided the 150 sub-brokers are still permitted by the East India Cotton Association to work in the Ring. These sub-brokers do not themselves deal as Members in the Ring. They canvass orders from outside investors and others and then put the orders through a Member in the Ring, subject to that Member accepting liability for the contract. In other words, they are mere canvassers of orders.

Such a proviso would constitute a curious anomaly in any Association, and particularly in the East India Cotton Association if constituted as we recommend under the new Act, inasmuch as it would give a privileged position to such sub-brokers by admitting them to the Ring on payment of a subscription of Rs. 11 per year without any personal responsibility to the Members of the Association or the public who may trade with them. It was urged by the other Members of the Committee that the sub-brokers having enjoyed this privilege for a long time should not now be deprived of it. A reference however to the Memorandum and Articles of Association of the Brokers' Association will disclose that no provision was made for sub-brokers until the year 1927 when the Articles were altered and a new class of Special Associate Member was created at an annual subscription of Rs. 11. It can hardly therefore be contended that the sub-brokers have acquired any vested interest or privileged position. I further enquired why, if these 150 were sub-brokers, they could not be made Ring traders by obtaining cards from Members of the East India Cotton Association, so that the Board of the East India Cotton Association could hold such Members responsible for their actions. This suggestion does not apparently appeal to some of the Members of the East India Cotton Association who are averse to accepting responsibility for these sub-brokers. The Brokers even go so far as to insist that these sub-brokers should hold a privileged position, free of responsibility for trading in the Ring; and that this special Associate Membership should be continued and new sub-brokers admitted to such Membership on the same terms. No Association can, I submit, exist unless the Members thereof accept full responsibility to one another for their transactions, and unless all their employees and sub-brokers are responsible to them and through them to the Board of the Association, and unless also all Ring traders are on an equal footing.

I am therefore entirely opposed to the decision of the Committee to allow a privileged position to these sub-brokers. In my opinion from the evidence we heard, no case has been made out to justify such position. I think Government will be well advised to insist that Members of the East India Cotton Association and particularly the Broker Members who desire to have these sub-brokers in the Ring, shall distribute the sub-brokers among themselves

by appointing them their sub-brokers. These 150 privileged persons can then be absorbed at once and no further Ring traders except as employees of Members should be hereafter admitted. My opinion is to some extent confirmed by Article 13 of the Articles of Association of the East India Cotton Association, which makes provision for special Associate Members who shall be entitled to trade in the Ring in their own name and to use the Clearing House, but shall have no vote and no vested interest in the Association.

II. The second point on which I am obliged to differ from the other Members of the Committee has reference to the question whether single and double option transactions should be recognised by the Association and legalised. The Indian Cotton Committee in their recommendation No. 2, paragraph 257, are distinctly opposed to such action, and state :—

> " All speculative transactions in Kutcha Kandy, Katcha American, single or double options should be entirely prohibited."

I still adhere to that opinion. On the New York Exchange single and double option transactions are entirely prohibited, and in many States of America such transactions have been declared illegal. The Liverpool Cotton Association does not recognise single or double option transactions at all. It is true that some Members in Liverpool indulge in these transactions, but they are done *sub rosa*, i.e., that such contracts although entered on the Liverpool Cotton Association form for future delivery contracts contain an endorsement that it is a " put and call " transaction. Neither the Clearing House nor the Board of Directors know anything of such transactions. They are put through the Clearing House as if they were regular Hedge contracts under the " Difference Sheets " and neither the Clearing House Superintendent nor the Board are cognisant of them. I understand that no case has so far been brought before the Directors where there has been trouble in single or double option transactions and therefore they have given no decision in the matter as to their legality under the Articles of Association of the Liverpool Cotton Association.

The Chairman of the East India Cotton Association placed before the Committee an opinion of the Advocate General and another Counsel to the effect that if in single and double option transactions delivery is contemplated, it is possible they may be valid contracts, but a single or double option does not become a transaction in which delivery is contemplated until such transaction is declared, and I think therefore that it must at least be questionable whether any single or double option transaction can be a legal contract as the Law stands at present. The main argument of some Members of the Committee was that single and double options were being carried on in Bombay on a large scale and therefore they should be brought under control. I do not agree with that view. If such transactions are doubtful in Law, then I do not think that any new Act of the Legislature should legalise them. It is well known that the Board of the East India Cotton Association have not been able to stop transactions in Katcha Kandy and Katcha American although they are declared void under the present Act. It is also well known that some Members of the Association indulge in them even now, and the Board of the East India Cotton Association have not been able to take any disciplinary steps against them because evidence to prove such a charge is very difficult to obtain. No doubt speculation on a large scale goes on both in Katcha Kandy and Katcha American, and during the eight years of the existence of the present Association single and double options have been increasing day by day. At present the single and double option transactions are made for certain specified deliveries, but there is nothing to prevent such options being made for any period, for one day, for a week or for a month at any time of the year, if the principle as proposed by the Committee is once admitted. I do not think passing cash payments and the differences through the fortnightly clearing would help to control or reduce the over-speculation that is going on.

My main objections to these option transactions are as follows :—

(*a*) Options are not recognised by any known Trading Association outside the Bombay Cotton Brokers' Association.

(*b*) The recognition of options will entail the creation of a nominal contract for the benefit of a limited number of traders.

(*c*) Options have no relation, in the main, to supply and demand. The evidence in favour being entirely based upon their utility to take the place of hedge contracts thereby striking at the foundation upon which the Association is created.

(*d*) In view of the admission that it was impossible to enforce the brokerage rules, it is doubtful whether the Association can enforce any rules they may enact in regard to options.

(*e*) Another problem which was avoided by the supporters of recognition was " how the Association could protect buyers in the event of the failure of a seller as there is a chance that at any one time there may be no market in options."

(*f*) Options hinder the marketing of cotton by the creation of fictitious traders, and the creation of false contracts.

(*g*) Options will encourage speculation and manipulation of the market and thus vitiate the very purpose for which the Association has been created.

One of the results of transactions in options is that in time of crisis when big fluctuations take place, the Board of the East India Cotton Association had to fix maximum or minimum prices which in my opinion, after the experience of July last, is very dangerous and deleterious to trade. This power should be removed from the Board some of the Members of which are interested in cotton contracts. If the trade once realises that the Board cannot interfere, speculation will be kept in check.

I am therefore strongly of opinion that under no circumstances should Government undertake the responsibility of legalising single and double options and further that the Board of the new Association should not be empowered to fix maximum or minimum prices. Single and double option transactions should in my opinion be entirely prohibited and made illegal on the same lines as Katcha Kandy and Katcha American. If the trade insists on the recognition of these option transactions, and also on the inclusion of irresponsible sub-brokers, then I would strongly advise Government to allow the present Act to lapse, and to refrain from passing a new Act as desired by the majority of the Committee, which would only result in the creation of an unsound market.

III. The third point on which I am obliged to differ from the conclusions of the Committee has reference to the question of hedge contracts. The Committee have decided to adhere to the present three contracts, viz., Bengal, Oomra and Broach and to make no change except a slight addition of Upland Dharwar in Broach contract. This means that against the whole of the Southern India crop and the Hyderabad State crop, there is no valid hedge for any purchaser. These crops form an important portion of the total crop of India, and I am strongly of opinion that these crops should be included in one or the other of the contracts. According to the recommendation of the Millowners' Association I suggest that the Southerns as well as Moglai cotton from Latur, Nanded, Purna, Umri, Bhensa and Kirkelly should be included in the Broach contract, and Moglai cotton of Barsi, Parbani and Sailu should be included in the Oomra. The Committee do not wish to widen the hedge contracts. The ideal to be aimed at in all well-established large markets of the world is that there should be one contract open for the whole of the twelve months. Having two or three contracts leads to straddle business between such contracts which in my opinion is detrimental to the interest of the grower and the trade as a whole, although it may mean to clever manipulators a certain profit. It is a pity that in Bombay, the full meaning of the word " hedge contract " is not appreciated and there is a tendency to confound it with a delivery contract. The Indian Cotton Committee in their Report (paragraph 250) recommended a

> " classification sufficiently wide to enable any grade to be tendered against such contracts."

The Indian Cotton Tariff Board (Textile Enquiry) 1927, in paragraph 55 of their Report, made strong remarks on the different hedge contracts and suggested that while one hedge contract was the ideal to be aimed at, in the immediate future, the East India Cotton Association should make every effort to reduce the number of contracts even if possible by accepting the scheme proposed by Messrs. Forbes Forbes Campbell & Co.

The written evidence of the Indian Central Cotton Committee also makes it quite clear that all grades of cotton should be made tenderable against one or other of the contracts. They recommended that

> " the remaining three hedge contracts, viz., Broach, Fine Oomra and Bengal should be considerably broadened to include all important growths of cotton."

In face of such authoritative Government reports and strong expert opinion, I fail to understand on what grounds the Committee can recommend the continuance of the present method. I am strongly of opinion that the time has arrived when a distinct step forward should be taken so that in the three contracts advocated by the Committee both the Southerns as well as Moglai cotton can be incorporated.

The recent news that the Liverpool Cotton Association has sanctioned, at a meeting of that Association held on the 1st December, after much deliberation and careful thought, a new East India Cotton contract for future delivery to be traded in Liverpool and decided that this contract shall come into force on and after the 2nd February 1931, confirms my views. This is a very wide contract and is more or less on the lines recommended by me, and I am sure that Liverpool will take from Bombay a portion of its business in future delivery contracts if the East India Cotton Association persists in its present policy of maintaining three hedge contracts of a restricted nature.

IV. Lastly, as regards Certified Warehouses I have given this question careful consideration, and have come to the conclusion that the Committee have not heard enough evidence to warrant their recommendation regarding Certified Warehouses. The question requires much deeper and further consideration than we were able to give it. If Certified Warehouses are established, a tremendous reorganisation of the trade will be necessary. I am therefore of opinion that the new East India Cotton Association when re-formed, should appoint a representative Committee of the trade with one or two men from the Port authorities and a Banker to examine this question *de novo* to find if the scheme recommended in our main Report is feasible. Any hasty step will in my opinion lead to a great disorganisation of the Forward market with consequent ill effects not only on the Bombay trade but the marketing of Indian cotton.

In conclusion, I desire to state that ever since my appointment as a Member of the Indian Cotton Committee, I have taken the greatest interest in the Cotton Trade and the details connected therewith, and it is for that reason that I desire to see, as recommended by the Indian Cotton Committee, the creation of a really strong Association capable of establishing and maintaining a full and efficient control over the Cotton Trade of Bombay to the greater advantage of all persons interested in that trade.

12th December 1930. N. N. WADIA.

Government Press Note dated the 16th March 1931.

THE COTTON CONTRACTS ACT.

In the Press Note issued on 15th April 1930, extending the operation of the Cotton Contracts Act of 1922 until August 1931, the Government of Bombay expressed their intention of appointing a Committee to consider the amendment of the Act. That Committee has submitted a report which has been published and is now under the consideration of the public and of various associations interested in the Cotton Trade. Owing to circumstances beyond the control of the Committee the submission of the report was delayed, and Government have not yet received all the criticisms promised of the report. It has not therefore been possible to proceed with the amendment of the Act and it is intended to bring an amended Bill before the Legislative Council at the next Session. Meanwhile in order that the trade in next year's New Crop may not be disorganised, Government have accepted the advice of the Trade, and decided to extend the life of the existing Act so as to cover trading in the New Crop of 1931-32.

Letter No. 816/64, *dated the* 15*th April* 1931, *from the Association to the Assistant Secretary to the Government of Bombay, Finance Department.*

Subject :—REPORT OF THE COTTON CONTRACTS ACT COMMITTEE.

I have the honour to acknowledge your letter No. 7745-D, dated the 7th April, and to submit my Committee's views on the Report of the Cotton Contracts Act Committee, for the consideration of Government.

Issue (1).—The Association agrees with the Committee that it is essential that there should be a single controlling authority with legislative sanction for the cotton trade of Bombay and that steps be taken to prevent the setting up of any rival association purporting to deal in or to control forward business by declaring such associations to be illegal.

Issue (2).—The Committee's proposal to continue the existing panels of millowners and exporters to constitute the buyers' section and the importers', commission agents' and merchants' and jethawalas' panels into a sellers' section, meets with the approval of the Association. The Association also agrees with the recommendation of the Committee that the Board of Directors shall consist of 16 members, 4 each representing buyers and sellers, 6 to be elected without reservation and 2 nominated to represent growers. The Association, however, cannot accept the majority view that the amalgamation of panels mentioned above shall be for the purpose of the first election only and that thereafter the panels are to be abolished and buyers' and sellers' representatives on the Board selected by a Nominating Committee. Nor does the Association accept their recommendation that this special representation of buyers and sellers should cease after the sixth annual election. The majority of the members of my Committee hold that so long as the special representation of the buyers' and sellers' interests on the Board remains, the members belonging to the respective panels should elect their own representatives, for the reason that this method of election would ensure a strong and thoroughly representative Board. My Committee do not agree that a time limit should at present be fixed for the abolition of the special representation of buyers' and sellers' interests on the Board. In respect of the representation of growers' interests, the Association accepts the suggestion made by the Committee that it should be left to the Indian Central Cotton Committee to select two members from the growers' representatives on that Committee to serve on the Board.

Emergency Powers.—The Association approves the Committee's proposals in regard to the manner in which the emergency powers under By-law 52 should be used.

Hedge Contracts.—The Association accepts the view expressed by Sir Ness Wadia and Sir Joseph Kay that the proposal of the majority of the Committee to retain the Broach contract as it is with the inclusion of Kumptas and Uplands from Dharwar and to leave the Fine Oomra and Bengal contracts untouched, does not give the grower a proper hedge unless all the main growths of cotton are made tenderable against one or other of the three contracts which it is proposed to retain. In the opinion of the Association this arrangement still leaves the door open to squeezing in certain months of the year and it would have been desirable had the Committee seen their way to accept the suggestion made by Sir Ness Wadia to include Southerns and a portion of the Moglai crop in the Broach and the remainder of the Hyderabad State crop in the Oomra contracts. The Association would, in this connection, like to suggest that a reasonable *via media* would be to include Karungannis and Cambodias of a minimum staple of $\frac{7}{8}$" in the Broach contract at once, and leave the question of inclusion of Moglai cotton open for future discussion by the Board of the East India Cotton Association.

Forward Trading .. ..
Unit of Tender .. ..
Blind Surveys .. ..
Universal Standards ..

} The Association has no remarks to offer on the Committee's recommendations on these subjects, and accepts their proposals.

Certified Godowns.—Though the Association would welcome the introduction of a system of certified godowns or bonded warehouses, it would appear necessary to investigate fully the practical problems connected therewith before introducing them. It might be

specified in the new Act that the East India Cotton Association should undertake such enquiries, upon the result of which the exact regulations incidental to the introduction of a system of certified godowns, etc., and the date of their institution would depend. With regard to the Committee's proposal to treat all " on " and " off " allowances as final if the same cotton was re-tendered, the Association would also like to suggest that all warehouse receipts for any cotton stored in bonded warehouses should contain a provision to show whether such cotton had been tendered previously or not.

The special " off " allowances for deterioration after July in Bengals, Broach and Oomras laid down by the Committee in para 26 (8) should, in the opinion of the Association, be further investigated before final adoption.

Trading Hours .. .. } The Association considers the Committee's proposals
Holidays .. .. .. } in these matters to be an advance in the right direction.

Brokerage.—The Association would like the East India Cotton Association to lay down, within a specified period, the rates for brokerage for forward business.

Ring Trading.—The Association favours the Committee's proposal that the East India Cotton Association should take over control of ring trading in the bazaar and that a " Ring Committee " elected annually by the general body, should regulate forward trading both in the bazaar and at Sewri. It is agreed that all members of the East India Cotton Association, being British subjects, should have the right to trade in the ring, but that they will be required to obtain cards from the " Ring Committee " before exercising their right either in person or through representatives on their behalf.

As regards the admission of sub-brokers who are not members of the East India Cotton Association to the privilege of trading in the ring, the Association agrees in principle with Sir Ness Wadia who is strongly opposed to the Committee's proposal to admit all members of the Brokers' Association who were on their registers on 30th November 1930, irrespective of whether they are members of the East India Cotton Association, to the right to a ring card. The Association supports the principle of his contention that all card holders of the ring should be employees of members who will accept responsibility for them. But as a compromise which might prove acceptable, the Association accepts the Committee's proposal to admit all those who were members of the Brokers' Association on 30th November 1930, to the right to trade in the ring, provided the East India Cotton Association intend the concession to mean that all those who are given this right in the future must become members of the East India Cotton Association. This would lead to the gradual elimination of trading in the ring by non-members.

Teji Mandi.—Though the Association has always held it to be desirable that Teji Mandi transactions should be abolished altogether and declared illegal, it is felt that the Committee is right in holding that these transactions have become to such an extent a feature of the Forward Market in cotton that the East India Cotton Association would probably be unable to suppress them. Failing the possibility of their entire suppression in the conditions which are peculiar to the trade in Bombay, the Association believes that they should be brought under the control of the East India Cotton Association, by means of suitable by-laws, e.g., by-laws providing for the compulsory payment of cash premia and the regular payment of differences through the Clearing House. It remains to be seen whether the provisions recommended by the Committee for their control will result, as the Committee believe, in a reduction of their volume or in reducing the liability of the market to sudden crises. The Association also recommends that the Clearing House should maintain a record of payments made by way of differences in Teji Mandi transactions, so that the extent of such transactions may be known.

Handling Charges.—The Association would suggest that the recommendations made by the Committee for a reduction in the various charges grouped under this heading be investigated at an early date by the East India Cotton Association.

Government of Bombay, Finance Department, Resolution No. 7745, dated 9th June 1931.

The Governor in Council desires to make it clear in the first place that the expression of a desire to control the Cotton trade by legislative enactment has come from the general trade itself. This alone, in the opinion of Government, can justify the interference of Government with the free course of trade. The corollary follows that the Trade must make it abundantly evident that there is substantial unanimity among the various communities and associations dealing with various aspects of the trade, as to the form which such control shall take.

2. The Governor in Council is satisfied that the Committee have proved their contention that the control of forward trading ought to be in the hands of an Association representing all the interests involved, and that it would be unsafe to permit more than one authority to regulate these speculative transactions. Subsequent enquiry has confirmed the view that there is substantial unanimity upon this point.

Government therefore accepts this recommendation of the Committee.

3. There are two ways in which this recommendation can be put into force. One is that proposed by the Committee, viz., that forward trading shall be permissible only between members of the Association, and that other forward contracts shall be made illegal, and such contracting parties be made punishable at law. This procedure would in itself prevent the formation of any other Association for the purpose of controlling or dealing in such contracts. The other would be to permit such trading among non-members, provided that the contracts are made subject to the by-laws of the Association, so far as these can be made binding under the ordinary law on non-members, and to declare contracts inconsistent with such by laws void. This is the effect of the existing law. It would be necessary further to provide by legislation that any other Association formed for the ostensible purpose of dealing in or controlling forward contracts shall be illegal.

The object of the Committee in making their proposal is to meet the existing difficulty that the law has proved inadequate to suppress unlawful speculation in cotton. And if the alternative suggestion would be likely to prove effective, Government would prefer not to put into force the more drastic remedy. There would however be obvious difficulties in suppressing any Association formed for the purpose of controlling operations not in themselves illegal, though they may be not enforceable at law. For this reason Government have decided with some reluctance to accept the recommendation that forward business shall be done only through the agency of a member of the Association and to prohibit other forward transactions.

4. In paragraph 3 of the Report the Committee have recommended that ready business (though not to be confined to members) shall also be compelled to follow the procedure laid down by the Association in its by-laws. This raises questions of considerable difficulty, in that certain important by-laws, namely those relating to surveys and arbitrations, cannot presumably be enforced against non-members. Recognising however the desirability of a uniform procedure in these transactions, Government agree that if the Association find it practicable to frame their by-laws in such a way that the procedure, which it is considered essential for the general good of the trade should be of a prescribed uniformity, can be laid down so as to bind non-members without infringing the provisions of the ordinary law, then authority should be taken by statute to control ready transactions also. The penal clause referred to in paragraph 3 would not, however, be made applicable to these transactions.

5. Coming to the proposed revised constitution of the Association, Government are at once faced with the difficulty that there is a substantial difference of opinion between sections of the Trade. This being so the condition laid down in the first paragraph above, viz., that to justify the interference of the legislature there must be substantial unanimity, is not fulfilled. Further representations received have confirmed the existence of this difference; and Government are constrained, therefore, if they are to put into force the general wish of the Trade to have a single controlling body, to maintain as far as possible the *status quo*, and to restrict their interference to such changes as may command practically

unanimous agreement, as first steps towards what the majority consider to be the ideal arrangement. While fully appreciating the expressed desire of the majority to remove the somewhat artificial divisions of the Trade, they see no alternative but to leave to the future the further move forward towards this goal. Meanwhile they interpret the sense of the report to be that the majority would accept the minority recommendations as being a substantial step towards the ideal constitution.

Government therefore propose to accept the proposals of the minority, and if the hope of the majority that general opinion will have been converted to their view within three or four years is fulfilled, it will be possible to incorporate it in the constitution at the end of this period. With this object in view they propose that the working of the Act shall come under revision at the end of four years.

6. The other recommendations of the Committee can be dealt with more briefly. They are all such as can more suitably be dealt with by alterations in the by-laws, power to sanction which Government propose to retain, as in the existing Act.

Recommendation No. 11 naturally follows from No. 1, and Government welcome the agreement in this matter, which as Sir Ness Wadia has pointed out in his minute of dissent, has hitherto constituted a considerable anomaly in the administration of the Association. Government have carefully considered the objections raised in the minute of dissent to the decision of the majority that a number of so-called sub-brokers should be admitted to trade in the ring. While unwilling to reject the decision of the Committee, which is obviously of the nature of a compromise, Government realize that the admission of these outsiders is without precedent in other Associations, and may give rise to trouble in the future. They therefore desire that the Association shall consider whether it should not require these sub-brokers to join the Association as Associate Members.

Hedge Contracts (*Paragraphs* 16 *and* 17).—Government recognise the care with which this knotty problem has been once again reviewed. The width of the opposition between the two schools of thought shows no signs of narrowing. It is not possible for Government to interfere in this highly technical question, and they recommend the adoption of the Committee's proposal with effect from the next season. They commend to the consideration of the Association the desire of the Indian Central Cotton Committee that opportunity should be taken from time to time to include in one or other of the Contracts the improved growths introduced and spread by the Agricultural Department and the Indian Central Cotton Committee; and also their comment on Recommendation No. 5 that the opening of New Crop trading only on May 1st unduly restricts trading in the bulk of the Indian Crop.

Blind Surveys (*Paragraph* 20).—The existing system of arbitration on quality has long been the subject of complaint; and Government accept the recommendation of the Committee that the revised system shall be introduced at the earliest opportunity. They are content to leave it to the Association to work out the exact details of the Scheme.

Bonded Warehouses (*Paragraphs* 23-27).—Government interpret the recommendation of the majority to mean that not until one year after the introduction of a Blind Survey system, shall the Association introduce any scheme of certified godowns, and that in the meantime its practicability shall be thoroughly explored, and its relative advantages and disadvantages determined. Government accept this view, and will take steps to add this authority to the powers of the Board to make by-laws. The only remaining recommendation of public importance is that relating to the control of Option dealings. Sir Ness Wadia has recorded a powerful plea against the recognition of these transactions. The recommendation of the Committee is however supported by the almost unanimous opinion of the Associations consulted, that "Teji Mandi" dealings have become to such an extent part and parcel of forward business in Bombay, that it would be impossible for the Association to suppress them. In these circumstances Government accept the recommendation of the majority, and will require that a special investigation into the effect of the proposed control shall be made at the time of the enquiry into the working of the Act already referred to. To this end it is directed that the Clearing House shall maintain special registers recording the extent of these transactions.

Recommendation No. 12 requiring that the Board themselves shall fix differences has been the subject of some adverse criticism, and Government desire therefore that the Association shall consider this recommendation before incorporating it in the by-laws.

The question of handling charges (paragraph 41) though not specially referred to the Committee seems to Government to be one of considerable general importance to the trade, and Government trust that the Association will give early attention to the remarks of the Committee on this matter.

The remaining recommendations of the Committee require no detailed comment. Government accept them and request that they shall be included in the by-laws, to be submitted for sanction under the new Act.

7. Finally, it may be observed in general that the report proposes to retain the East India Cotton Association intact, subject to certain amendments of its constitution. It remains therefore for the Association, if it accepts the conclusions at which Government has arrived, to take steps immediately to carry out the proposed changes in the Articles of Association. Government then propose to introduce in the July Session of the Legislative Council a Bill containing and extending the powers given to the Association by the existing Act.

8. The Government of Bombay desire to express their thanks to the members of the Committee for the time and labour they have ungrudgingly given to a subject of such vital importance to the City of Bombay.

BILL No. XX OF 1931.

A Bill to provide for the regulation and control of transactions in cotton in Bombay.

Whereas it is expedient to provide for the regulation and control of transactions in cotton in Bombay and whereas the previous sanction of the Governor General required by sub-section (3) of section 80A of the Government of India Act has been obtained for the passing of this Act: It is hereby enacted as follows :—

1. *Short title, commencement and duration.*—(1) This Act may be called the Bombay Cotton Contracts Act, 193 .

(2) It shall come into force on the 1st day of April 1932 and shall remain in operation for three years and thereafter for such period as the Governor in Council may, by notification in the *Bombay Government Gazette*, direct.

2. *Repeal and saving clause.*—(1) The Bombay Cotton Contracts Act 1922, is hereby repealed :

Provided that—

(*a*) Such repeal shall not affect the liability of any person to pay any sum due from him under any contract entered into under the provisions of the Act so repealed or the validity or invalidity of anything already done thereunder ;

(*b*) Contracts entered into before the 1st April 1932 shall remain subject to the provisions of the Act so repealed and of the bye-laws made thereunder.

(2) Contracts entered into on or after the 1st April 1932 shall be subject to the provisions of this Act and of the bye-laws made thereunder.

3. *Definitions.*—In this Act, unless there is anything repugnant in the subject or context,

(*a*) " Contract " means a transaction in cotton to be carried out in whole or in part in Bombay, except such as the Governor in Council may, by notification in the *Bombay Government Gazette*, declare to be excluded from the provisions of this Act ;

(*b*) " Ready contract " means a contract in which immediate delivery is contemplated ;

(*c*) " Forward contract " means a contract for the delivery of cotton at some future date ;

(*d*) " Option in cotton " means a contract entered into or to be carried out in whole or in part in Bombay for the purchase or sale of a right to buy, or a right to sell, or a right to buy or sell cotton in future, and includes a teji, a mandi and a teji-mandi in cotton ;

(*e*) " Bombay " means and includes the City of Bombay and the island of Salsette ;

(*f*) The " Association " means the East India Cotton Association, Limited ;

(*g*) The " Board " means the Board of Directors of the Association acting through at least a quorum of their number at a meeting of that Board duly called and constituted ;

(*h*) " Certified godown " means a godown maintained by the Association for storing cotton certified under the bye-laws of the Association.

4. *Power of Board to make bye-laws.*—(1) The Board may, subject to the sanction of the Governor in Council, make bye-laws for the regulation and control of transactions in cotton :—

(*a*) providing for the admission of various classes of members of the Association and the exclusion, suspension, expulsion and re-admission of such members ;

(*b*) providing a clearing house for the periodical settlement of contracts or differences thereunder and for the passing on of delivery orders and for any purpose in connection with options in cotton, and providing for the regulation and maintenance of such clearing house ;

(*c*) prescribing the number and classes of contracts in respect of which settlements shall be made or differences paid through the clearing house ;

(*d*) fixing, altering or postponing settling days ;

(*e*) determining and declaring the market rates for cotton of any and every description which rates shall be binding for all purposes upon every one dealing in cotton ;

(*f*) prescribing the terms, conditions and incidents of contracts and the forms of such contracts as are in writing ;

(*g*) regulating the making, performance and cancellation of contracts, including contracts between a commission agent and his constituent, or between a broker and his constituent, or between a jethawala or muccadum and his constituent, or between a member and a non-member of the Association, and providing for the consequences of insolvency on the part of a seller or buyer or intermediary, the consequences of a breach or omission by a seller or buyer, and the responsibility of commission agents, muccadums and brokers not parties to such contracts ;

(*h*) prohibiting specified classes or types of dealings in cotton by a member of the Association ;

(*i*) providing for settlement of claims and disputes by arbitration and for appeals against awards ;

(*j*) providing for the levy and recovery of subscriptions, fees, fines and penalties ;

(*k*) providing disciplinary measures against members of the Association, including suspension, expulsion, fines and non-monetary penalties, for breach of any bye-law made by the Board ;

(*l*) regulating the course of business between parties to contracts in any capacity ;

(*m*) providing for the institution, maintenance and control of certified godowns ; and

(*n*) regulating the making, performance and cancellation of options in cotton.

(2) If any person committing a breach of any bye-law of the Board is a company, every director and officer of such company shall also be deemed to have committed such breach unless he proves that the breach was committed without his knowledge and control.

(3) Bye-laws made by the Board under sub-section (1) shall be subject to the condition of previous publication and when sanctioned by the Governor in Council shall be published in the *Bombay Government Gazette* ; bye-laws so made and sanctioned may be enforced before publication in the said *Gazette*.

5. *Legality and alteration of Articles of Association.*—The Articles of Association relating to the constitution and administrative machinery of the Association shall not, except with the sanction of the Governor in Council, be altered in respect of—

the number of constitution of panels or the representation upon (*a*) panels or (*b*) the Board ;

And it is hereby declared that the legality of the constitution and administrative machinery set out in the said Articles of Association or in the Articles as duly altered from time to time with the sanction of the Governor in Council, where necessary, shall not be called in question.

6. *Prohibition of forward contracts except by or through the agency of members or associate members of the Association.*—(1) No forward contract shall, after the date on which this Act comes into force, be entered into except by or through the agency of a member of the Association.

(2) Any such contract entered into after the date aforesaid which contravenes the provisions of sub-section (1) shall be void and any person entering into such contract shall upon conviction be liable for each such offence to a fine not exceeding one thousand rupees.

7. *Ready contracts contravening bye-laws to be void.*—Any ready contract (whether either party thereto is a member of the Association or not) which is entered into after the date on which bye-laws made under this Act are sanctioned by the Governor in Council and published in the *Bombay Government Gazette* and which contravenes any bye-law relating to such contracts shall be void.

8. *Power to declare certain contracts to be outside the purview of Act.*—The Governor in Council may, by notification in the *Bombay Government Gazette*, declare that any contracts specified therein which can only be made subject to the rules of any Foreign Exchange shall be excluded from the provisions of this Act.

9. *Officer, etc., not personally responsible.*—No officer or servants of the Association shall be held personally responsible for anything in good faith and not negligently done or omitted by him within the scope of his authority as such officer or servant in relation to anything authorised by this Act or the bye-laws made thereunder.

STATEMENT OF OBJECTS AND REASONS.

Bombay Act XIV of 1922, for the regulation and control of transactions in cotton, has been extended by notification until August 1932. The present Bill follows the general lines of that Act and is intended to incorporate those recommendations of the Committee appointed to examine the working of that Act, which have been accepted by Government.

The report and the orders of Government thereon have been published in the Press.

The principal changes now proposed to be introduced are as follows :—

(1) The taking of authority to frame bye-laws for (*a*) the regulation of option dealings and (*b*) the institution and maintenance of " certified godowns."

(2) The restriction of forward business of the agency of a member of the Association and making illegal the passing of other forward contracts.

(3) The amendment of the Constitution of the Association in the manner proposed in the minority report of the Committee.

In brief this involves the abolition of the Representative Committees, and the amalgamation of the five panels into three, representing buyers, sellers and brokers, with representation upon the Board of 4, 4 and 6 members respectively. Two representatives of the Growers of Cotton, to be nominated by the Central Cotton Committee, will be added to the Board.

The life of the Act is restricted to three years, so that any change of public opinion in respect of the constitution of the Association and its functions, may automatically come under review within a reasonable period.

3rd July 1931. (Signed) G. B. PRADHAN.

APPENDIX 14.

MOISTURE IN EGYPTIAN COTTON AND PROPOSED TESTING HOUSE IN BOMBAY.

Letter dated the 12th February 1931 *from the International Federation of Master Cotton Spinners and Manufacturers' Associations to the Millowners' Association.*

RESOLUTIONS OF THE JOINT EGYPTIAN COTTON COMMITTEE.

I have pleasure in enclosing a copy of the resolutions adopted at the recent meeting of the Joint Egyptian Cotton Committee last January in Cairo and Alexandria.

The resolution on Moisture in Egyptian cotton requires the consent of those associations whose members are interested in Egyptian cotton. However, as your members do not use large quantities of Egyptian cotton, we presume that you will have no objection to the erection of a testing house under Government supervision in Alexandria, and to the standards of moisture agreed upon by the spinner delegates at those meetings.

Should you, however, differ from this assumption, I trust that you will inform me of the fact at your earliest convenience.

Resolutions adopted by the Joint Egyptian Cotton Committee at its meeting in Cairo, 29th January 1931.

Mixing of Varieties.

The Committee reiterates as its considered opinion that the cotton industry objects strongly to any mixing of varieties of Egyptian cotton before it reaches the spinning mills.

The spinners appreciate the efforts of the Egyptian Government in endeavouring to put an end to mixing by legislation which they hope to see put into force as soon as possible for the benefit of all interested in Egyptian cotton.

Government Cotton Policy.

This meeting thanks the Egyptian Government for its formal declaration of its cotton policy, particularly for the assurance that it will not intervene in the cotton markets and that as regards the disposal of the existing Government stocks of cotton it does not intend to sell annually more than 500,000 cantars actual cotton from the stocks, in small quantities, within short periods, commencing at the end of the present season.

Sale of Government Cotton Stocks.

In reply to the President's request for opinion as to the best means of disposing of the Egyptian Government cotton stocks, we, the duly appointed delegates of the cotton industry attending this meeting, suggest to the Government that the daily sales of 200 to 300 bales of the Government cotton stocks would be a safe means of least disturbing the cotton markets. By carrying out this plan to the letter the Government would be sure to receive the true average price of the season for all its stocks, it would render speculation with this cotton impossible and thus it would restore the confidence of the cotton industry in Egyptian cotton.

(The above resolution is in the nature of a treaty between the Egyptian Government and the Joint Egyptian Cotton Committee of the International Cotton Federation.)

Standardisation of Types.

The spinners cannot accept the compulsory introduction of standard types but they consider that some advantages would accrue from their preparation. If the standard types thus prepared were offered they might ultimately prove acceptable to the industry.

Extending use of Egyptian Cotton.

This meeting pledges itself to use every legitimate means for the extension of the use of Egyptian cotton.

Foreign Matter in Egyptian Cotton.

This meeting unanimously recommends that greater care be exercised in the pressing establishments at Alexandria in this matter and that at each "farfara" one man should be specially entrusted to supervise the elimination of foreign matters.

Resolution on Humidity in Egyptian Cotton

unanimously adopted at a meeting held by the Joint Egyptian Cotton Committee with the Cotton Exporters of the Alexandria General Produce Association, 31st January 1931.

"It is hereby agreed that the degree of humidity which cotton should contain is 8.½ per cent. regain with a tolerance of 0.4 per cent. up and down, i.e., that all humidity above 8.9 per cent. must be paid for by the exporter to the spinner, whilst if the cotton con-

tains less than 8.1 per cent. moisture the difference will be refunded by the spinner to the exporter. There is no allowance to be made by either party if the moisture in the cotton is between 8.1 per cent. and 8.9 per cent.

There will be established immediately in Alexandria a Testing House which will be supervised by the Government, and the exporters and spinners may each appoint a delegate.

The parties will be free to arrange whether samples drawn for testing shall be taken in Alexandria, or the port of disembarkation or the mill, but in every case the samples will be drawn by an expert belonging to an official testing house and the tests will be made in an official testing house and a certificate of the result issued to both buyer and seller. Representatives of both parties shall have the right to be present when samples are taken.

Weights to be taken under official supervision at the time of drawing samples."

This agreement is to apply to all shipments made from 1st September 1931 to 31st August 1932 ; it is to be reconsidered by both parties before the 12 months' trial has elapsed.

The spinner delegates undertook to recommend this resolution for acceptance by all the affiliated associations and it was understood that the agreement would have to be unanimously accepted by the spinners.

All the Alexandria exporting houses represented at the meeting undertook to abide by this resolution and agreed that no deviation from it should be allowed by any member.

Letter No. 806/114, *dated the* 14*th April* 1931, *from the Millowners' Association to the International Federation of Master Cotton Spinners' and Manufacturers' Associations.*

I am in receipt of your letter of the 12th February, which has now received the consideration of my Committee, and I write to inform you that they entirely approve of the resolution on Humidity in Egyptian cotton and will welcome the facilities which a testing house in Alexandria under Government control will provide to purchasers of Egyptian cotton.

Letter dated the 14*th April* 1931, *from the Secretary, Millowners' Association, to the Secretary, Indian Central Cotton Committee.*

I suppose that you will have seen the enclosed resolution on Humidity in Egyptian cotton* sent to us by the International Federation of Master Cotton Spinners' and Manufacturers' Associations. My Committee are in entire agreement with the proposal to establish a testing house in Alexandria, and would very much welcome a step forward of a like character in India. I have always held that the Central Cotton Committee should have at Matunga, or in a separate establishment altogether, a completely equipped testing house similar to that of the Manchester Chamber of Commerce, at which tests on moisture content of cotton and yarn, and the whole gamut of trade tests on textile manufactures and materials could be made. I believe the Central Cotton Committee now have ample funds at their disposal for the equipment and maintenance of such a testing house. Before writing to you officially, I should like to have your views in the matter.

Letter No. 4620, *dated the* 16*th April* 1931, *from the Secretary, Indian Central Cotton Committee, to the Secretary, Millowners' Association*

Your letter of the 14th to hand. The Committee has already opened an experimental section at Sewri for testing cotton for dampness. This was started at the request of the East India Cotton Association in view of the recommendation of the Cotton Contracts Act

* Already printed.

Committee regarding bonded warehouses. There is no reason why it should not be expanded in the direction outlined by you. I am sure any concrete proposition put up by your Association will be favourably considered by the Committee.

Letter No. 1585/114, *dated the 8th July* 1931, *from the Association to the Indian Central Cotton Committee.*

On the 14th April I wrote to you stating that the Committee of my Association were in entire agreement with the proposal to establish a testing house in Alexandria, from which certificates would be issued regarding the moisture content of Egyptian cotton at the time of exportation, and went on to say that my Committee would welcome a step forward of a like character in India. In the same letter the desirability of the establishment of a completely equipped Testing House where every kind of trade test could be conducted was also mooted. What my Committee had in mind was a wide extension of the work now done at the Matunga Technological Laboratory, on the lines of the Chamber of Commerce Testing House in Manchester and Bradford Municipal Testing House.

It has been pointed out to us by Mr. S. D. Saklatvala that the terms of the Act under which the Indian Central Cotton Committee was brought into existence restricts the use of the funds of the Indian Central Cotton Committee to meeting the expenses of the Committee in connection with Agricultural and Technological Research, and that this restriction might preclude the utilisation of the Committee's funds for certain types of tests which those connected with the manufacture and sale of textile goods in India might require. My Committee recognise this limitation, and wish to make it clear that they would not expect the Central Cotton Committee to bear the whole cost of equipping the testing house, their idea being that importers, millowners, cotton dealers, mill stores suppliers and all those likely to be interested should bear their legitimate share. In Manchester the Testing House is more than self-supporting, and in Bombay the trade would not be backward to pay for the certified results of tests conducted by admitted experts whose authority could hardly be called in question.

The present staff of the Matunga Laboratory have had a wide experience of cotton tests, and they would have little or no difficulty in conducting any additional tests the trade might require in regard to raw cotton or cotton yarn.

For cotton cloth tests, chemical tests, and tests on woollen manufactures, it would probably be necessary to engage the services of two or three fairly highly paid experts from England, Germany or America, but the junior staffs could easily be recruited in India. A portion of the time of these experts could be devoted to research work for the benefit of the industry, which would justify a contribution towards their salaries by the Indian Central Cotton Committee, a further share might possibly be made up by an arrangement under which their services could be availed of by the Victoria Jubilee Technical Institute, or the Bombay University, or both, for lectures in special subjects. The remainder of their salaries could, if necessary, be made up from the income received from the trade for different classes of tests.

I do not think it necessary at this stage to enumerate the various tests which might be carried out at the Testing House, but the work done by the Manchester and Bradford Testing Houses might be taken as a rough guide. The hand-books of these two institutions are enclosed for your ready reference and may be returned to me later. What my Committee now desire is to ascertain whether the support of your Committee would be forthcoming for a proposition such as I have outlined, and if so what steps you would suggest being taken to expedite matters.

Letter No. 6318, *dated the 27th July* 1931, *from the Indian Central Cotton Committee to the Association.*

Subject :—Establishment of a Testing House for Textiles in Bombay.

I have the honour to inform you that your letter No. 1585/114, dated the 8th July 1931, was placed before my Technological Research Sub-Committee at its meeting held on the 12th July 1931 and I attach herewith that portion of their report to the Central Cotton Committee which deals with the subject under discussion.

"The Sub-Committee also considered a letter from the Secretary, Millowners' Association, Bombay, which asked for the Committee's views on the establishment of a Testing House for Textiles in Bombay. The Sub-Committee considers that there is a distinct need for a testing house such as that outlined in the letter from the Millowners' Association and suggests that a strong Sub-Committee of all the sections of the trade likely to be interested should be formed to draw up a definite scheme with the total cost and the amount likely to be forthcoming from each section."

I am also to inform you that my Committee is of opinion that the initiative for calling together the several bodies as recommended above should come from the Millowners' Association.

Letter dated the 3rd November 1931 *from the Association to All Chambers and Associations.*

TESTING HOUSE FOR BOMBAY.

Some years ago when the equipment of the Indian Central Cotton Committee's Technological Institute at Matunga was being considered, a suggestion was made that the Central Cotton Committee should establish a Testing House similar to the Chamber of Commerce Testing House in Manchester. The idea was, I believe, considered too ambitious and expensive at the time, but in the years which have passed since, the need has, if anything, become greater, and my Committee feel that merchants and manufacturers connected directly and indirectly with the premier industry of India would welcome, and if necessary, contribute to the cost of equipping and maintaining an institution whose certificates would be authoritative and comparatively inexpensive. A few of the tests which might ordinarily be undertaken are specified in the accompaniment to this letter.

Some three months ago, the Indian Central Cotton Committee was approached in this matter as the body most appropriately placed to assist the trade. They have at Matunga the nucleus of the equipment which would probably be required for a Testing House such as my Committee have in mind, and in addition, have a number of research workers and students who have had experience in various types of testing. It was, of course, recognised that the Act under which the Indian Central Cotton Committee was brought into existence might preclude the utilisation of their funds for certain types of tests which those connected directly and indirectly with the textile industries might require. It was made clear that the Central Cotton Committee would not be expected to bear the whole cost of equipping and running the Testing House, and that the idea was that millowners, cotton dealers, mill stores suppliers, dye-stuff importers and all those likely to be interested should bear their legitimate share. It was further stated that the Manchester Chamber of Commerce Testing House was more than self-supporting and that the trade would not be backward to pay for the certified results of tests conducted by experts whose authority could hardly be called in question.

The Technological Research Sub-Committee of the Indian Central Cotton Committee considered the Association's proposal at a meeting in July and arrived at the conclusion that there was a distinct need for a Testing House such as that outlined in the letter from the Millowners' Association, and suggested that a strong sub-committee of all sections of the trade likely to be interested should be formed to draw up a definite scheme with the total cost and the amount likely to be forthcoming from each section. It was also suggested that the initiative for calling together the representatives of the bodies interested should come from the Millowners' Association. I am, therefore, taking this opportunity of requesting you to be good enough to state your views as to whether you are generally in agreement with the idea that a completely equipped Testing House should be established in Bombay, and whether, in the event of a practical proposition being devised, your financial support would be forthcoming. I need hardly state that my Committee have every reason to believe that the members of the Millowners' Association would be prepared to contribute to the cost of the scheme.

An exact estimate of the cost of the project cannot be prepared at this stage as, in the first instance, it has not yet been definitely decided what tests the proposed Testing House

should undertake. Secondly, the scope of the Testing House has to be regulated according to the financial support which may be forthcoming, and if adequate financial support is not available, the scope of the Testing House work might have to be on a restricted scale.

If the replies to this letter indicate that all sections, or even a large proportion, of the trading interests in the Presidency are in favour of proceeding further in the matter, steps will be taken to appoint a representative sub-committee to discuss details, and if possible, frame an estimate of costs.

PROPOSED TESTS.

Textile Tests.—

Cloth—

Counts of Yarn.
Reed and Pick.
Strength—Warp and Weft.
Length, Width and Weight of Pieces.
Analysis for Weave.
Full comparative report on samples of cloth.

Yarn—

Moisture Content.
Counts.
Lea Tests.
Single Thread Tests.
Twist per inch.
Length of Hanks, etc.

Cotton.—

Moisture Content.
Staple Length—by Balls sorter, etc.

Chemical Tests—Cloth and Yarn.

Percentage of size, China Clay, Zinc Chloride, Magnesium Sulphate, etc.
Percentage of cotton, wool, silk, art silk, etc., in mixture cloths.
Causes of tenderness, stains, mildew growth.
Fastness of Dyes.
Chemical Analyses of materials used by the industry.

Oils.—

Specific Gravity, Viscosity, Flash-points, etc.
Melting and solidifying points of Fats and Solid Oils.

Lubricating Oils.—

Specific Gravity, Viscosity, Flash-point, Fatty Oil, Mineral Oil and Free Acid.
Comparative suitability of different samples for use as spindle, engine, cylinder or motor oil.

Coal.—

Complete analysis, Calorific Value, Moisture, Ash and volatile matter, etc., etc.

Tests on Belting.—

Degree of conformity with Standard Specifications.

Dyes.—

Comparative Colour Tests.

Letter No. 2644, *dated the* 4*th February* 1932, *from the Indian Central Cotton Committee to the Association.*

Subject :—ESTABLISHMENT OF A TESTING HOUSE FOR TEXTILES IN BOMBAY.

I have the honour to invite reference to the correspondence resting with this office letter No. 1672, dated the 18th December 1931, and to enquire whether any progress has been made with the proposal for the establishment of a testing house for textiles in Bombay.

Letter No. 363/114, *dated the* 13*th February* 1932, *from the Association to the Indian Central Cotton Committee.*

I am to acknowledge your letter No. 2644, dated 4th February, and to say that my Committee, before proceeding to frame a detailed scheme for the establishment of a Testing House for Bombay, thought it advisable to consult commercial opinion and other important trading interests in the city in regard to the proposal. A large number of replies have now been received which I summarise below for the information of your Committee :—

The Chamber of Commerce :—Generally in agreement, but do not think general body of members sufficiently interested to justify the Chamber offering financial support.

The Indian Merchants' Chamber :—In the absence of a detailed scheme and estimates of probable expenditure unable to say whether practicable.

Bombay Country Fancy and Grey Piecegoods Merchants' Association :—Generally agree with the idea. Desire further details with regard to initial cost, maintenance, extent of contributions from other associations, etc. Unable to guarantee any financial support at this stage.

East India Cotton Association :—Quite approve the idea. Not prepared, under present financial circumstances, to afford any help.

Ahmedabad Millowners' Association is unable to consider proposal favourably.

Baroda Millowners' Association does not desire to take active interest.

Indian Mining Federation have no special reason to be interested as the Government Testing House at Alipore affords abundant facilities for analysis of coal.

Indian Mining Association unable to lend financial support.

Importers of Dyes and Chemicals consider the cost would be so high that it would probably prove out of proportion to the value of the services rendered. Existing facilities for such tests as are necessary ample.

Oil Interests are not interested as Government Test Houses at Alipore and Kirkee sufficient for their needs.

It would, therefore, appear that though the idea of erecting and equipping a modern Testing House does appeal to the majority of interests consulted, the consensus of opinion is against its practical realisation on the grounds mainly of its cost and the value of its work in the earlier stages of its existence.

My Committee think that, under these circumstances, no useful purpose will be served by pursuing the matter any further at present on the lines originally chalked out.

APPENDIX 15.

FUMIGATION CHARGES.

Letter No. 1463/174, *dated the 24th June* 1931, *from the Association to the Secretary to the Government of India, Department of Education, Health and Lands, Simla.*

Subject :—FUMIGATION OF AMERICAN COTTON.

I am directed by my Committee to address you in regard to the fumigation charges at present levied on American cotton imported into this country.

2. In the following table will be found the total imports of American cotton into Bombay during the last few seasons :—

1925-26	28,130	bales.
1926-27	379,120	,,
1927-28	102,910	,,
1928-29	11,719	,,
1929-30	15,889	,,
1930-31	114,000	,, (approx.)

It is understood that the present fumigation charge of Rs. 3-1-0 per bale for the fair season is estimated on an average annual import below that of the last two seasons. The charges collected at this rate in respect of the cotton fumigated during the fair seasons of the years 1926-27 and 1927-28 were, therefore, partly refunded in view of the heavy imports recorded during those seasons. Since then, no further refunds have been sanctioned, and my Committee would greatly appreciate it if Government would inform them whether any decision has been reached with regard to refunding a part of the charges collected on the imports during the seasons 1929-30 and 1930-31, when there were heavy arrivals of cotton. In this connection, my Committee will be glad if Government will favour them with a statement of the actual expenses incurred in fumigation for the latest period for which figures are available. My Committee also urge that an effort should be made to reduce the total cost of fumigation, more particularly as it is possible that American cotton may continue to be imported into this country in large quantities.

Letter No. 1380 *Agri., dated the 22nd August* 1931, *from the Government of India, Department of Education, Health and Lands, to the Association.*

FUMIGATION OF AMERICAN COTTON.

In reply to your letter No. 1463/174, dated the 24th June 1931, I am directed to say that the fumigation of American cotton is under the control of the Indian Central Cotton Committee, Bombay, on which your Association and other trade interests are represented, and that rebates on the fees charged from importers are given by Government on the recommendation of the Finance Sub-Committee of the Committee, which is composed almost entirely of trade members, including two representatives of mills. I am accordingly to suggest that your Association should address that Committee in the matters regarding which you write.

2. I am also to point out that the figures of imports of American cotton given in your letter are not correct. They seem to have been calculated in terms of bales of 3½ cwts., whereas fumigation fees are charged on original bales and not on weight. I am also to say that the present fee of Rs. 3-1-0 per bale was calculated on an annual import of 25,000 bales and not on an average annual import below that of the last two seasons.

3. The Government of India understand that the Indian Central Cotton Committee considered the accounts relating to the fumigation of American cotton for the period April 1930 to March 1931 (a copy of these is enclosed), at its meeting held on the 13th and 14th July 1931. Any recommendation made by the Committee for further rebates will be given careful consideration by Government, who fully realise the desirability of keeping fumigation charges as low as possible.

Fumigation accounts for the period April 1930 to March 1931.

Number of bales actually imported and fumigated during the period—53,433 bales and 35 bundles.

	Rs.	a.	p.
Receipts.			
Gross fumigation fee collected	1,64,074	0	0
Less—Probable refunds on bales short-landed and penalty fees recovered	328	4	0
Nett Receipts	1,63,745	12	0

	Rs.	a.	p.
Expenditure.			
Lighterage contractor	87,980	10	0
Share of Government Barges	6,953	0	0
Bombay Port Trust share	10,025	4	0
Staff	3,679	5	0
Labour	6,029	11	0
Chemicals and stores	7,331	11	4
Repairs to Barges	5,541	14	0
Repairs to Liston Machines	318	9	0
Repairs to and replacements of hatch covers ..	3,676	9	10
Contingencies	1,513	4	6
Total Expenditure ..	1,33,049	14	8
Net Profit ..	Rs. 30,695	13	4

Letter No. 2583/174, dated the 23rd September 1931, from the Association to the Indian Central Cotton Committee.

On the 24th June, I forwarded to you a copy of a representation made to the Government of India in which information was requested as to whether any refund in fumigation charges was contemplated on imports of cotton during the seasons 1929-30 and 1930-31, and what were the actual expenses incurred in fumigating cotton during the latest period for which figures were available. In the Government of India's reply dated 22nd August, it was pointed out that rebates on fees were given on the recommendation of the Finance Sub-Committee of the Indian Central Cotton Committee, and it was suggested that you should be addressed in the matter. Later in the Government of India's letter it was pointed out that the accounts relating to fumigation charges for 1930-31 were considered at your July meeting, and that any recommendation for further rebates would be given careful consideration by Government who realised the desirability of keeping fumigation charges as low as possible.

My Committee would deem it a favour if information could be supplied to them as to what refund, if any, has been suggested in the 1930-31 charges for fumigation, and whether an early Government Notification in the matter may be expected. A cursory examination of the items making up the fumigation charges during the Financial year 1930-31 appears to indicate the possibility of making savings under the heads of lighterage and Port Trust

charges, and my Committee would like to suggest that a detailed examination as to the possibility of effecting savings in these two directions particularly, should be very closely investigated. Lighterage charges work out at roughly Rs. 1-14-0 per bale, which appear on the face of it excessive. This point was raised in 1926 by Mr. Geddis, but nothing appears to have been accomplished towards effecting a reduction, and it is suggested that the lighterage contract might be placed out for public tender every year together with information as to the extent of past importations.

My Committee would be glad to receive the views of the Indian Central Cotton Committee on the matters dealt with in this letter.

Letter No. 460, dated the 30th September 1931, from the Indian Central Cotton Committee to the Association.

Subject :—FUMIGATION OF AMERICAN COTTON.

I have the honour to acknowledge receipt of your letter No. 2583/174, dated the 23rd September 1931, and in reply I have to say that my Committee at its meeting in July recommended to the Government of India that a rebate amounting to 8 annas per bale should be given on all American cotton imported during the year ending 31st March 1931.* Past experience indicates that it is still too early to expect the orders of the Government of India on the subject but these will be published as soon as received in this office.

With reference to the remarks in your penultimate para, I have the honour to say that lower rates are not immediately possible as the agreement between the Bombay Port Trust and Messrs. J. K. & Cooper Landing Co. will terminate only on the 31st day of May 1933.

As a result of the discussion in October 1926, referred to in your letter, in which Mr. Geddis took part, the contract was put up for open tender and although eleven firms applied for tender forms, only one firm tendered, viz., Messrs. J. K. & Cooper Landing Co. It will thus be seen that the existing contract was the result of open tender. For the present it is evident that nothing can be done to reduce the lighterage charge unless the contractors of their own free will agree to make a reduction. When the agreement between the Port Trust and the contractors comes to an end, every effort will be made to obtain the cheapest possible rates.

With reference to your second point, I do not think the Bombay Port Trust share of 3 annas a bale can be termed excessive. (The monsoon extra of 8 annas per bale for cranage, extra handling and covered storage during fumigation has not been levied during the last five seasons.) This sum is required to compensate the Port Trust for extra work including labour and supervision charges necessitated by the landing of the cotton and its delivery, a considerable amount of clerical work and supervision of the advices from importers, collection of fumigation fees and accounting for same and regulating the unloading of steamers according to the supply of barges, etc.

Letter No. 2796/174, dated the 13th October 1931, from the Association to the Indian Central Cotton Committee.

FUMIGATION OF AMERICAN COTTON.

I am directed to acknowledge receipt of your letter No. 460, dated 30th September 1931, on the above subject.

My Committee note that the Indian Central Cotton Committee have already recommended to the Government of India that a rebate amounting to 8 annas per bale should be given on all American cotton imported during the year ending 31st March 1931.* They also note that probably nothing can be done at present to reduce the cost of fumigation as the

*NOTE :—The Government of India, on the recommendation of the Indian Central Cotton Committee, have since then sanctioned a refund of fumigation fee at the rate of eight annas per bale on all American cotton imported and fumigated between the 1st April 1930 and the 31st March 1931.

lighterage, which is the heaviest item of expenditure in fumigation, cannot be reduced until the termination of the present lighterage contract on 31st May 1933 unless the contractors, of their own free will, agree to make a reduction.

My Committee have instructed their representative on the Indian Central Cotton Committee to do everything possible to obtain a reduction in fumigation charges, and they hope that the Indian Central Cotton Committee will also endeavour in the same direction.

As regards the rebate in fumigation charges already recommended by the Indian Central Cotton Committee, would it be possible for you to address the Government of India urging the desirability of passing early orders in regard to the refund ?

Letter No. 734, dated the 15th October 1931, from the Indian Central Cotton Committee to the Association.

Subject :—FUMIGATION OF AMERICAN COTTON.

In reply to your letter No. 2796/174, dated the 13th October 1931, I have the honour to say that every effort has been made to expedite the orders of the Government of India on the question of a rebate.

APPENDIX 16.

PROPOSED EXPORT CESS ON RAW COTTON.

Letter No. 3139/253, dated the 24th November 1931, from the Association to the Secretary to the Government of Bombay, General Department.

Subject :—PROPOSED EXPORT CESS ON RAW COTTON.

I am directed by the Committee of the Association to say that they view with great anxiety the renewed efforts that are being made at present by the Municipal Corporation to move the Government of Bombay to sanction their proposal to levy a cess of 4 annas per bale on all cotton exported from Bombay.

In this connection, I have the honour to invite Government's attention to my letter No. 3089/207, dated 22nd December 1930, setting out my Committee's objections to the measure when it was first mooted.

My Committee feel very strongly that as the cotton trade already bears more than its fair share of Imperial and Provincial taxation, Government should not accord its permission to local bodies, like the Municipality, to make any further raids on it, as a means of financing the taking over of the Improvement Trust by the Municipality. It must be remembered that if any further impost is placed on the cotton trade in the shape of an export duty, however small, it may tend to diminish the exports of low-grade cotton from this country which have hitherto found a ready market both in Japan and Germany, principally owing to its low parity with American cotton. As it is, according to the annual report of the East India Cotton Association for the year ending 31st August 1931, exports of cotton were down by 127,018 bales owing to a shrinkage in demand, especially from the Continent. The Committee of the Association cannot accept the statement of the Municipality that the advantages of getting cotton in a big market like Bombay, and the facilities for its storage and transport, are so attractive that the small charge which is now proposed will not in any way lead to diversion of trade. The fact remains that what with the town duty of Re. 1 per bale on all cotton entering Bombay and the higher port and other handling charges in Bombay, Bombay's share of the export trade in cotton has remained practically stationary while that of Karachi

has increased from 400 per cent. to 500 per cent. in recent years. Anything, therefore, however small in itself, which would tend to make the port of Bombay dearer will cause trade to be diverted from Bombay to other ports, especially to Okha and Bedi Bunder, which are making a bid to capture much of the trade that normally passes through Bombay by the offer of greater facilities and much cheaper rates.

My Committee would also like to reiterate that the duty will tend to reduce the volume of the arrivals of cotton into Bombay, and thus considerably restrict the mills' field of selection which has hitherto been possible owing to the very wide range of cotton coming into Bombay.

Another point against the present proposal which my Committee would make is that as all charges on raw cotton ultimately fall on the producer, they cannot understand the equity of calling upon the producer of cotton outside the Presidency to pay for the amenities which the Municipality hope to provide for residents of the city of Bombay.

My Committee further desire me to say that there is no warrant for the statement made by the Municipality that Indian short-staple cotton is, as compared with long-staple cotton of other countries, practically a monopoly. The Indian Fiscal Commission definitely stated that Indian cotton is neither a monopoly nor a semi-monopoly and that it would be most dangerous to assume that India has a semi-monopoly in the supply of even the short-staple cotton. It will not, the Committee think, be out of place to recall that the Fiscal Commission in dismissing the proposal for an export duty on cotton, specifically stated that it would fall on the cotton producer in India and would have the effect of discouraging the production of cotton.

My Committee, therefore, trust that the Government of Bombay will not countenance this attempt on the part of the Municipality to mulct the cotton trade for its own benefit.

APPENDIX 17.

RAILWAY FREIGHTS ON COTTON.

Letter No. 9212/*E*/235, *dated the 26th August* 1931, *from the East India Cotton Association, Limited, to the Millowners' Association.*

I am directed to inform you that the Board of Directors of my Association have decided upon taking immediate steps with the help and collaboration of the Bombay Chamber of Commerce, the Indian Merchants' Chamber, the Indian Central Cotton Committee and your Association with a view to making a joint and influential representation to the Government of India and also to the Railway Board urging upon them the imperative necessity of making a reduction in the freightage on cotton in view of the unparalleled depression in the trade and the persistent and catastrophic drop in the prices of this commodity with the object of giving some measure of relief to the grower of cotton.

With a view to implementing this resolution they have appointed a Committee of the Board consisting of Messrs. Haridas Madhavdas (*Chairman*), W. G. McKee, Purshotam Jivandas and S. B. Dalal to confer with representatives of the Committees of the bodies referred to above. I am, therefore, to request you to move the Committee of your Association to nominate two representatives to serve on this Committee and to communicate their names to me on or before the 31st instant.

Letter No. 2293/218, *dated the 1st September* 1931, *from the Millowners' Association to the East India Cotton Association, Limited.*

With reference to your letter No. 9212/E/235, dated the 26th August 1931, I am directed to inform you that Mr. T. V. Baddeley and Mr. S. D. Saklatvala will represent the Association on the Committee appointed by your Board to frame a representation to Government urging the desirability of making reductions in railway freights on cotton.

My Committee desire me to add that they entirely agree with your Board as to the need for making such a representation and accord their sympathetic support to any proposal for a substantial reduction in railway freights on cotton that may be made.

The addresses of Messrs. Baddeley and Saklatvala are as follows :—

T. V. Baddeley, Esq., c/o Messrs. Allen Bros. & Co. (Bombay), Ltd., Forbes Building, Home Street.

S. D. Saklatvala, Esq., c/o Messrs. Tata Sons, Ltd. (Mills Department), Bombay House, Bruce Street.

Report of a meeting of a Committee appointed by the Board to confer with representatives of the Bombay Chamber of Commerce, the Indian Merchants' Chamber, the Bombay Millowners' Association and the Indian Central Cotton Committee, with a view to making a joint and influential representation to the Government of India and also to the Railway Board on the question of making a reduction in cotton freights, held at 3-30 p.m. on Thursday, the 17th September 1931, in the Board Room, Taj Building.

Present.

Haridas Madhavdas, Esq. (*Chairman*) ..	Nominated by the East India Cotton Association, Ltd.
Purshotam Jivandas, Esq.	
S. B. Dalal, Esq.	
R. G. Saraiya, Esq.	
C. P. Bramble, Esq.	Nominated by the Committee of the Bombay Chamber of Commerce.
D. McCullum, Esq.	
Walchand Hirachand, Esq.	Nominated by the Committee of the Indian Merchants' Chamber.
T. V. Baddeley, Esq.	Nominated by the Committee of the Bombay Millowners' Association.
Rao Bahadur Bhimbhai Ranchodji Naik, M.L.C.	Nominated by the Indian Central Cotton Committee.
Rao Bahadur M. G. Deshpande	

and in attendance the Secretary and Assistant Secretary.

THE CHAIRMAN, in opening the proceedings of the meeting, welcomed the representatives of the different bodies which had so kindly agreed to co-operate with the Committee of the East India Cotton Association in the matter of making a joint representation to the Government of India and the Railway Board urging upon them the urgent necessity for making a substantial reduction in cotton freights. He said that the unprecedented depression in the Cotton Trade demanded concerted action on the part of all these bodies in order to place before the Government as strong a case as they possibly could for giving some measure of relief to the Cotton Trade and especially to the grower of cotton. In his opinion, a reduction in freights of cotton was long overdue and he felt that they would be discharging their duty to the grower of cotton by making a united representation to Government for their earnest and sympathetic consideration. He emphasized the point that prompt action on the part of Government was the essence of any measure of relief which could be given to the cultivator, particularly, in view of the fact that the cotton crop would begin to move from the field to destination very shortly. He then referred to the monograph prepared by Mr. R. G. Saraiya on the subject, copies of which had already been circulated to members, and said that that pamphlet contained adequate data upon which they could base their representation to Government. He then asked the members to express their views on the subject.

A frank and full discussion then took place in which most of the members participated.

MR. WALCHAND HIRACHAND said that if the incidences of freight in relation to the values of cotton at the primary market for the pre-war and post-war periods as worked out by Mr. Saraiya and given at page 9 of his monograph represented approximately correct proportions, he felt that on that ground alone there was ample justification for urging upon Government the imperative necessity for a substantial reduction in railway freights on cotton. In his opinion, the demand made by Mr. Saraiya was a very moderate one as he considered that a rebate of two-thirds on the present freights would constitute a reasonable demand to put forward by the Cotton Trade. He informed the members present that at the last meeting of the Federation of Indian Chambers of Commerce and Industry a resolution was passed suggesting for the acceptance of the Government of India the proposal for a substantial reduction in railway freights on all agricultural produce and he believed that the enquiry which was at present being undertaken by the Officers on Special duty with the Railway Board in respect of certain agricultural commodities was the outcome of that resolution. He apprehended that if the East India Cotton Association made a separate representation with regard to cotton freights only, it may, to a certain extent, affect the case for pleading for an *ad hoc* reduction in railway freights on agricultural produce other than cotton. He, therefore, suggested that the Association with the expert knowledge at their disposal pertaining to cotton should formulate their own representation and pass the same to the Indian Merchants' Chamber which may be requested to deal with the comprehensive question of bringing about a substantial reduction in all agricultural produce.

THE CHAIRMAN pointed out that cotton had already begun to move in the up-country centres and that, therefore, the question of a reduction in freight rates on cotton was most urgent and should be taken up at once with the Government of India. He further pointed out that assuming the Government agreed to make a reduction in cotton freights later in the season, the benefit accruing therefrom would be reaped by the middleman and not by the grower, whose interest it was their primary duty to protect.

RAO BAHADUR BHIMBHAI NAIK said that as one interested in the development of agricultural industry he could not but appreciate the action of the East India Cotton Association in having come forward to give a lead to other commercial bodies in the matter. While endorsing the suggestion made by Mr. Walchand Hirachand for a rebate of two-thirds on cotton freights, he made an appeal to the representatives of the East India Cotton Association to take immediate action with a view to reducing handling charges for cotton. He said that owing to the unprecedented fall in the prices of agricultural produce, the cultivator was hit the hardest, and that if Government failed to sympathetically consider their representation for giving immediate and adequate measure of relief to him, he apprehended that there would be acute agrarian discontent throughout the country, which would not only react upon the trade, commerce and industry of the country, but also upon Government revenues.

RAO BAHADUR M. G. DESHPANDE acquiesced in the views expressed by Rao Bahadur Bhimbhai and congratulated Mr. Saraiya on the production of his monograph which he considered was a valuable contribution to an intelligent appreciation of this vital question. He submitted that the question of forming " pools " by owners of ginning and pressing factories in the up-country markets whereby maximum charges were levied for ginning and pressing cotton should be dealt with by the Association.

MR. MCCULLUM said that cheaper cotton bore the heaviest freight, as the same was based on the quantity, that is, per maund per mile, irrespective of the class of cotton. He said that this class of cotton came into the market much earlier and required greater protection than Broach and other stapled cottons.

MR. BRAMBLE said that the suggested rebate of two-thirds was outside the realm of practical politics and that any recommendation which the Committee might decide to make should be reasonable in order to be acceptable to the Railway Board. He pointed out that railway freight was not the only charge on cotton which was excessive and, admitting that he himself had no constructive suggestion to offer, asked how it was thought the Government would meet the deficit.

MR. WALCHAND HIRACHAND referred to a previous proposal that it should be suggested to Government that the loss of revenue consequent upon the reduction in freight could be made up by enhancing railway freights on imports as well as by rigid retrenchment and economy in Railway Administration. MR. BRAMBLE replied that he might agree to this in the unlikely event of Mr. Walchand Hirachand's agreeing to the suggestion that an import duty should be imposed on foreign raw cotton. To this MR. WALCHAND HIRACHAND did not agree.

MR. T. V. BADDELEY, speaking in his personal capacity, said that there was room for consumption by mills of Egyptian and Uganda cottons, but that American cotton up to 1" staple directly competed with Compta and other cottons and as such replaced the latter from the market and consequently the duty should be restricted to this class of cotton only. The suggestion for the levy of a duty on cotton imported into India was not further discussed as it was pointed out that it was against the accepted canons of taxation that raw materials should not be taxed.

After the question of a reduction in freights was discussed and considered in all its aspects the Committee unanimously resolved that the Government of India and the Railway Board be approached with a request for an immediate reduction of 50 per cent. in all cotton freights in view of the unparalleled and catastrophic fall in the prices and the anticipated further fall therein owing to large carry-over in the world's cotton market before the Indian crop begins to move in bulk.

It was agreed that it be impressed upon the Government of India that inaction on their part would militate against free movement of crop, hamper free trading and result in acute agrarian discontent and subsequent loss of land revenue to Government.

It was also agreed that it be suggested to Government that the loss of revenue consequent upon the acceptance of its proposal be made up by enhancing railway freights on imports and by rigid retrenchment and economy in Railway Administration and they be informed that the Committee confidently hoped that Government would give most urgent and sympathetic consideration to its proposal before it is too late, as otherwise consequences to the premier industry of India and the grower of cotton would be disastrous and its repercussions on Government revenues alarmingly tremendous. The Committee felt that prompt action was the essence of any measure of relief to the cultivator of cotton whose condition was nearing starvation point owing to the unprecedented fall in the prices of cotton and that they be urged to take prompt action in the matter.

It was resolved that the Secretary of the East India Cotton Association be instructed to prepare draft of a representation on the above lines and circulate the same to members of the Committee for their approval before submission to Government. In the meanwhile, the Secretary was also instructed to despatch a telegram to the Secretary, Commerce Department, Government of India, and also the Railway Board communicating the above resolution of the Committee.

Copy of a telegram dated 18th September 1931 despatched to the Secretary, Government of India Commerce Department, and also to the Railway Board, Simla, on the subject of Reduction in the Railway Freight on Cotton.

"Joint meeting of representatives of Bombay Chamber of Commerce, Indian Merchants' Chamber, Indian Central Cotton Committee, Millowners' Association and East India Cotton Association unanimously resolved yesterday that Government of India be approached with request for immediate reduction all round of 50 per cent. in cotton freights in view of the unparalleled and catastrophic fall in prices and the anticipated further fall therein owing to large carry-over in the world's cotton market before the Indian crop begins to move in bulk stop Committee apprehend inaction on part of Government will militate against free movement of crop hamper free trading and result in acute agrarian discontent and subsequent loss of land revenue to Government stop Committee suggests loss of revenue consequent upon

acceptance of its proposal be made up by increasing freights on imports and by rigid retrenchment and economy in Railway Administration stop Committee confidently hopes Government will give most urgent and sympathetic consideration to the proposal before it is too late as otherwise consequences to the premier industry of India and the grower of cotton would be disastrous and its repercussions on Government revenues alarmingly tremendous stop Committee feels that prompt action is the essence of any measure of relief to the cultivator of cotton whose condition is nearing starvation point owing to the unprecedented fall in prices stop Detailed communication will shortly follow."

Letter No. 552/E/235, dated the 5th October 1931, from the East India Cotton Association, Limited, to the Chief Commissioner, Railway Board, Simla.

I have the honour to inform you that the Board of Directors of the East India Cotton Association, Limited, which is the sole Corporate Body recognized by Bombay Act No. XIV of 1922, and constituted for the purpose of regulating and controlling transactions in cotton, considered in August last the serious situation that has arisen in the Cotton Trade owing to the unprecedented and catastrophic drop in the prices of cotton and resolved that immediate steps should be taken with the help and collaboration of the Bombay Chamber of Commerce, the Indian Merchants' Chamber, the Bombay Millowners' Association and the Indian Central Cotton Committee with a view to making a joint representation to the Government of India and also to the Railway Board urging upon them the imperative necessity for making a substantial reduction in cotton freights with the object of giving some measure of relief to the grower of cotton in his present miserable plight.

2. A joint meeting of the Committee, upon which representatives were nominated by the four bodies referred to above, was held on the 17th September when it was unanimously resolved that the Government of India and the Railway Board should be approached with a request for an immediate reduction of 50 per cent. in all Indian-grown cotton freights in view of the fall in the prices and the anticipated further fall therein owing to large carry-over in the world's cotton market, before the Indian crop begins to move in bulk.

3. In view of the trough of depression in which cotton growers now find themselves in common with the growers of other commodities and in order to obviate the present situation in the premier trade from developing into a veritable crisis, the Committee desire to impress upon the Government that procrastination of action on their part would result in acute agrarian discontent and subsequent great loss of land revenue to Government. They feel that prompt action on the part of Government is the essence of any measure of relief to the cultivator of cotton, whose condition is nearing starvation point owing to the unprecedented fall in the prices of cotton, even when compared with those of the pre-war period. Forestalling the Government's plea, viz., financial stringency, the Committee beg to suggest to the Government that the loss of revenue consequent upon the acceptance of their proposal could be made up by enhancing railway freights on imports and by adopting a policy of rigid retrenchment and economy in Railway Administration. The Committee confidently hope that Government would give their most urgent and sympathetic consideration to their proposal before it is too late, as otherwise consequences to the premier industry of India and especially the grower of cotton would be disastrous in the extreme and its repercussions upon Government revenues alarmingly tremendous.

4. It is a significant feature of recent policy of the Government of India that while the steel and other industries have been assisted by bounties or tariffs, and the coal industry by reduced railway freights, no such encouragement, except in the recent case of wheat, has been given to our most important national industry—Agriculture, of which cotton is the most important product both in point of bulk and value. The Committee feel that cotton undoubtedly has the strongest claim to a reduction because it more than any other product of this country has helped to build up the Railways' reserves and because the largest number of farmers would stand to benefit. Further, cotton in common with all the other commodities has to compete with that of America, Egypt and Uganda. Anything therefore which can be done to reduce the f.o.b. cost of Indian cotton will correspondingly mean better prices for Indian producers.

5. The Committee realize that the Railways are not doing too well under present trade conditions in the country and their financial position is not so strong as it was three years ago, but the farmers' condition is nearing starvation point owing to the unprecedented fall in raw produce during recent months. The Committee feels most strongly, therefore, that the time has arrived to help the farmer in his present unenviable plight. Another point which the Committee desire to emphasize is that the present tendency in all countries is to reduce railway freight rates, particularly on raw produce, in order to assist the farmers in their present difficulties. An announcement was made last year in the United States of America according to which freights on cotton were generally revised and it is understood that this revision entails, on an average, a considerable reduction in rates.

6. It is a matter of common knowledge that ocean freights follow the course of trade and that if trade is bad they are reduced, whereas the post-war railway freights have remained constant, at a level which was fixed during the boom period notwithstanding the unparalleled trade depression in the country. Cotton prices in the world have registered a steady downward trend during the last 15 months. Bad trade resulting in restriction of consumption and large crops all over the world have caused an accumulation of actual and visible stock well beyond the normal requirements of the trade. Prices further continue to be depressed as this year's crops all over the world are large enough not only to maintain but also to increase the world's carry-over at the end of 1930-31. In view of the abnormally large crops and the low prices which are reduced to a level below the pre-war basis, the condition of the grower of cotton has gone from bad to worse and it appears probable to the Committee that the growing of Indian cotton is at the present juncture an uneconomical proposition as the return to the cultivator on the basis of the present level of prices is very meagre indeed, or, perhaps, none at all.

7. Since the outbreak of the war railway freights on cotton have been increased three times, namely, in 1918, 1919 and 1922, and to-day rates are still on the same level as they were in 1922 in spite of the fact that a heavy decline has been registered in the prices of cotton. The average rate of Broach cotton in 1922 was Rs. 487 per candy. Broach cotton touched Rs. 132 per candy on the 20th August 1931. It is, therefore, obvious that there has been a huge drop of 73 per cent. in the price of cotton. The cotton freight rates to Bombay to-day so far as the stations in the Bombay cotton territory are concerned as compared with 1913-14 have increased from Khamgaon by 38 per cent., from Khandwa by 44 per cent., from Dhulia by 72 per cent., from Amraoti by 80 per cent., from Nagpur by 126 per cent. and from Broach by 179½ per cent. Sind/Punjab cotton is sent to Karachi as that port is nearer to the producing centre than Bombay. In the same way the cotton freight rates to Karachi have increased from Tando Adam by 76 per cent., from Multan by 108 per cent., from Lyallpur, Kasur and Lahore by 130 per cent., from Sargodha by 146 per cent. and from Ambala by 207 per cent.

8. The Committee are aware that reductions have been made during the past few years in the passenger fares, parcel and luggage rates, while in the case of goods rates have also been reduced on coal and on kerosene, manure, oil-cakes and jagree. All these reductions have presumably been made with a view to securing traffic and cotton has been left out, because the Railway Authorities eventually considered that reduced rates are not likely to help to increase traffic. Whatever may have been the reasons in the past for the increase in cotton freights, the Committee think the time for a substantial reduction has now come because firstly, this commodity has probably helped more than any other to bring about a very satisfactory financial position to the Railways; and secondly, the present rates are a very heavy additional tax on the producer.

9. The Railway Authorities may perhaps be inclined to argue why any protest against the ruling freight rates has not been lodged by the Cotton Trade and by producers at an earlier date since the last increase was imposed as far back as the autumn of 1922. The explanation is simple. The years commencing with the season 1922-23 till the end of 1925 were marked by very high cotton prices and big cotton crops in India and in spite of the increased freight charges the producer was still getting a very handsome margin on his cotton; while the trade was still flourishing because Indian cotton was in good demand owing to its comparative cheapness to American cotton. Since 1926 the situation has however changed completely.

That year produced the record crop of 18 million bales in America, and prices dropped for some time to pre-war level. The farmer consequently has had to sell his cotton at a considerable loss as his cost of production has, of course, increased since pre-war days. To-day the cotton prices at Indian ports are below pre-war level. The farmer, therefore, is probably worse off to-day than he was before the war because he has to bear on top of the high cost of production the increased railway freight charge.

10. In the view of the Committee the present high incidence of freightage is a severe handicap upon the Cotton Trade. By this they do not mean to say that cotton cannot be exported from the growing centres owing to the high railway freight. The surplus must, of course, eventually be exported whether freights are high or low, as Indian mills cannot consume more than 50 per cent. of the crop grown. But if the farmer is not getting economic prices for his commodity, he is likely to curtail the production which must naturally affect land revenue, trade and the railways; and he is also apt to hold up his stocks for better prices and trade becomes dislocated as was the case in 1927 when farmers held up large quantities, particularly in the Oomra districts, which eventually they had to sell at ruinous prices. Had the railway freights been lower, the farmer would probably not have been tempted to the same extent to adopt the hoarding policy and trade would have tended to go on more smoothly and with less interruption.

11. An interesting and instructive monograph* written by Mr. R. G. Saraiya, a member of the Committee, which sets forth in lucid terms the case for a substantial reduction in cotton freights by reason of a perpendicular drop of nearly 73 per cent. in the prices of the commodity and the inevitable further fall which it is anticipated is more than likely to eventuate owing to the pressure of hedge selling in the cotton growing countries is annexed hereto for the information and study of your Board and the Committee trust that the Board will give their anxious and sympathetic consideration to the same. The Committee particularly wish to emphasize the point made out by Mr. Saraiya in his monograph and which needs no further elaboration, viz., that the incidence of railway freight has gone up from 6 per cent. to 17 per cent., that is to say, it is now nearly three times the pre-war incidence.

12. The Committee wish to reiterate that promptness of action is the essence of any measure of relief which your Board may recommend to the Government of India should be given to those engaged in the growing of this premier agricultural product. The Committee cannot too strongly impress upon the Government of India and your Board the supreme urgency of discharging their primary duty to the grower of cotton, particularly having regard to the present financial and economic distress that prevails in the country. The Committee entertain grave fears that inaction on the part of the Government at this critical juncture in the history of the Cotton Trade would result in disorganisation of the Trade and consequent repercussions upon their own revenues.

13. A statement showing the Indian area, crop, yield per acre and average price for the season and the percentage price on American cotton for the years 1900-01 to 1930-31 is attached hereto.

* Not printed.

Statement showing Indian area, crop, yield and price, 1900-01 *to* 1930-31.

Seasons.	Area (Acres) 000's.	Crop (bales of 400 lbs.) 000's.	Yield per acre. (lbs.)	Season's	
				Average price (in *d.* per pound).	% on American.
				No. I Fine Oomra.	
1900–01	14,231	2,953	83	4.37	85
1901–02	14,506	2,745	75	4.19	88
1902–03	16,581	3,367	81	4.47	92
1903–04	18,025	3,161	70	5.56	80
1904–05	19,918	3,791	76	4.62	94
1905–06	20,401	3,416	67	5.00	84
1906–07	22,488	4,934	88	4.87	76
1907–08	21,630	3,122	58	5.03	81
1908–09	19,999	3,692	74	4.94	90
1909–10	20,545	4,719	92	6.31	80
1910–11	22,596	3,889	69	7.03	90
1911–12	21,615	3,288	61	5.63	93
1912–13	22,028	4,610	84	6.16	91
1913–14	25,023	5,066	81	5.88	81
1914–15	24,595	5,209	85	4.46	85
1915–16	17,746	3,738	84	6.09	81
1916–17	21,745	4,489	83	10.32	84
1917–18	25,188	4,000	64	18.78	87
1918–19	20,997	3,972	76	18.13	92
1919–20	23,352	5,796	99	19.23	76
1920–21	21,340	3,600	67	9.20	77
1921–22	18,451	4,485	97	9.60	85
1922–23	21,804	5,073	93	11.14	75
1923–24	23,636	5,161	87	13.35	74
1924–25	26,801	6,088	91	11.95	87
1925–26	28,403	6,215	88	8.97	83
1926–27	24,822	5,024	81	7.18	88
1927–28	24,761	5,963	96	9.21	83
1928–29	27,053	5,782	86	8.03	76
1929–30	25,922	5,125	79	6.39	70
1930–31	23,616	4,820	82	4.04	71

APPENDIX 18.

INCREASED IMPORT DUTIES ON ART. SILK PIECEGOODS

Letter No. 2079/207, dated the 18th August 1931, from the Association to the Secretary to the Government of India, Department of Commerce, Simla.

I am directed by my Committee to draw the Government of India's attention to the serious injury caused to Indian interests by the rapidly growing importations of artificial silk piecegoods into India during the last few years, and more especially during the last few months.

Artificial silk piecegoods began to be imported into India in appreciable quantities about ten years ago. The chief sources of supply were at that time England and Italy, and the bulk of the goods imported appear to have been mixed goods of cotton and artificial silk in which the latter material was used to produce ornamental effects in stripings. Mills in India, and particularly in Bombay, very soon appreciated the value of artificial silk as a medium for the production of decorative effects on a wide range of fabrics, but in the early days, difficulties were experienced in using it owing to its dissimilarity to cotton yarn. After a time, these initial difficulties were overcome, and a considerable trade was built up by Indian mills in certain goods in which a small proportion of artificial silk was used. Later on, substantial improvements were effected in the quality of artificial silk yarns, and as this was accompanied by a gradual fall in price, the handlooms began to use it largely for the production of imitation silk saries, shirtings and dress materials. These goods generally contained 50 per cent. or more of artificial silk, and while mills in a few instances commenced to manufacture lines in which either the warp or the weft was entirely composed of artificial silk, the great bulk of the mill-made fabrics consisted of styles in which the percentage of artificial silk used was relatively small.

In the year 1927-28, the position was that importations of artificial silk yarn had risen to 7½ million pounds, and they have remained at that figure since. Out of these imports, the handloom industry, according to various authorities, consumes between 5 and 6 million pounds per annum.

The rapid growth of artificial silk yarn imports into India between 1923-24 and 1927-28 will be apparent from the figures given in the following table (Table No. 1), and it may well be asked why no increase in consumption has since taken place. The answer, in so far as the years 1928-29 and 1929-30 are concerned, is to be found in the smaller production in Bombay mills owing to strikes ; and in 1930-31 owing to some mills having given up the use of artificial silk yarn at the request of the Congress, but more particularly, owing to the intense direct and indirect competition of imported artificial silk piecegoods from Japan. The seriousness of these Japanese inroads may be gauged from the artificial silk piecegoods import figures for the last three financial years (see Table 2).

In 1928-29, out of 50 million yards of imported artificial silk goods, Japan sent less than 4 million yards. In 1929-30, out of 56½ million yards, Japan's share was 25 million yards ; in 1930-31, 38 out of 51 million yards. As far as pure artificial silk goods are concerned, the latest import figures show that the competition of England, Italy and Germany and every other country has been almost entirely squeezed out owing to the phenomenally low prices at which the Japanese have been marketing their goods in India. For the last 18 months or so, a running record of the average wholesale market prices of the three leading lines of these goods has been maintained by the Association, and this record shows that the price of 27" " Taffetas " has fallen from 8 as. 3 pies per yard to 4 as. 4 pies per yard, and of 44" " Taffetas " from 14 as. per yard to 7 as. per yard, despite an increase in the import tariff from 15 to 20 per cent. *ad valorem*.

This very great drop in price has not only shut out competition from foreign countries, but has also made it impossible for the handloom industry of India, which is producing somewhat similar goods, from finding a ready market for its products.

Although the cotton mills of India produce only very small quantities of cent per cent artificial silk goods, they are vitally concerned in the fixation of an adequate duty on artificial silk piecegoods imports because of their indirect competition, which has ruined the demand for certain classes of cotton fancies, and has lowered the price obtainable for all cotton textile fabrics. Mr. Hardy, in his report on the external competition in the cotton piecegoods trade, published in 1929, dealt at some length with the effect of indirect competition on the prices of Indian lines of quite a different character. Had Japanese artificial silk taffetas then been sold in the quantities and at the prices at which they are being sold to-day, he would undoubtedly have agreed that the general price level and demand for cotton goods were being very seriously affected by the indirect competition of Japanese artificial silk taffetas. Most lines of cotton fancies have become extremely difficult to sell owing to the growing tendency on the part of the consuming public to substitute them by the less hard wearing but more attractive looking brocade patterns in which imported artificial silk goods are manufactured, facilities for the production of which are not available to any wide extent in India at present. Certain lines of fancies which used to sell freely have been almost entirely wiped out, and my Committee have had brought to their notice one particular line of dobby striped fancy, the sales of which have fallen to less than 1,500 packages per annum from a figure of 10,000 to 15,000 packages a year ago, owing to their substitution by Japanese taffetas. The demand for this line, the merchants maintain, could be re-established if the duties advocated in this letter were imposed on artificial silk piecegoods. The demand for garment goods such as saries is also beginning to be affected, since it is now becoming fairly common to use trimmed artificial silk taffetas instead. The indirect competition of these artificial silk goods is even affecting the demand for light bleaching cloths such as are used for ladies' skirts and underclothing. In short, artificial silk cloths are beginning to be used for such a wide variety of purposes that it is extremely difficult to state where their competition begins and ends, and the specific cloths referred to above have only been mentioned in order to draw Government's attention to the grave potential danger of this competition to the cotton mill industry of India.

The factors which have contributed to the fall in price of these Japanese artificial silk goods are most difficult to ascertain, but the full extent of the drop can certainly not be accounted for by the fall in the cost of the artificial silk yarn of which the fabric is composed. Artificial silk yarn suitable for manufacturing the goods being sent to India from Japan, has fallen in price by roughly 20 per cent. in the last 18 months, whereas the fall in the price of Japanese taffetas has been very nearly 50 per cent. If Japanese artificial silk yarn had fallen to a lower price than artificial silk yarns from other countries, the position would be comprehensible, but such is not the case, for, if it were, it would be logical to expect that the chief source of India's imports of artificial silk yarn would have been Japan ; whereas, as a matter of fact, the imports from that country to India have been negligible, and it is, therefore, more than probable that the low prices at which artificial silk piecegoods have been and are being sold in India are only possible owing to the very heavy import duties imposed on artificial silk piecegoods entering Japan, and the Government assistance which the Rayon Industry in that country enjoys.

I give below the results of a very careful analysis of three typical Japanese artificial silk cloths, and the cost of producing exactly similar goods on handlooms in India.

Costings of handloom-woven artificial silk Daryayis.

Length per piece	30 yards.
Width	27 inches.
Weave	Plain two colours, checks and stripes.
Warp	150 deniers.
Weft	150 deniers.
Dyeing	All colours hank dyed.

	Sample No. 1.	Sample No. 2.	Sample No. 3.
Number of ends per 1″ warp	86	70	76
Number of picks per 1″ weft	76	76	64
Weight of warp	2½ lbs.	2 lbs.	2-3/16 lbs.
Weight of weft	2¼ lbs.	2-3/16 lbs.	1-13/16 lbs.
Cost of warp at Re. 1-3-0 per lb.	Rs. 2-15-6	Rs. 2-6-0	Rs. 2-9-7
Cost of weft at Rs. 1-2-6 per lb.	Rs. 2- 9-8	Rs. 2-8-6	Rs. 2-1-6
Commission Weaving Rate paid to Weaver for dyeing, winding, sizing, weaving and finishing at the rate of Rs. 5-8-0 per 30-yard piece	Rs. 5- 8-0	Rs. 5-8-0	Rs. 5-8-0
Total cost per piece of 30 yards ..	Rs. 11-1-2	Rs. 10-6-6	Rs. 10-3-1
Total cost per yard to dealer	As. 5-10·86 ps.	As. 5-6·6 ps.	As. 5-5·23 ps.
Cost of Japanese 27″ by 30 yards Jacquard patterns per yard nett to dealer	As. 4-6·75 ps.	As. 4-6·75 ps.	As. 4-6·75 ps.
Difference in favour of Japanese cloth ..	As. 1-4·11 ps.	As. 0-11·85 ps.	As. 0-10·48 ps.

From the above it will be seen that, without allowing anything in the way of merchants' profit or distributing charges, the Indian handloom cost is Rs. 2-8-4, Rs. 1-13-6 and Rs. 1-10-5 per piece higher than the Japanese selling prices for samples 1, 2 and 3 respectively. These latter prices include profit, landing charges and an import duty of 20 per cent. *ad valorem*.

Effective competition from the handloom industry against these cloths would only be possible if the disparity between the price of Japanese cloth and local manufactures were removed by a substantial increase in the import duty, and it is the suggestion that this should be accomplished by fixing the duty on artificial silk piecegoods at the same *ad valorem* rate as that on real silk piecegoods with a minimum specific duty of Rs. 1-8-0 per lb.

Apart from the need for higher *ad valorem* duties, the case for the imposition of the same *ad valorem* rates of duty as on real silk is supported by the practice adopted in other countries in which it is a general rule to make no distinction between real and artificial silk in the import tariff schedule. The present position in India is anomalous inasmuch as the *ad valorem* duty (20 per cent.) on artifical silk piecegoods imported from countries other than Great Britain is actually less than the *ad valorem* duty on cotton goods imported from the same countries (25 per cent.) and only half the *ad valorem* rate of duty on silk piecegoods (40 per cent.).

The case for the levy of a specific duty on artificial silk piecegoods is strengthened enormously by the most cursory examination of the duties levied on such fabrics in other countries.

In Japan, for example, the duty on piecegoods containing more than 50 per cent. of artificial silk, according to information supplied by the Japan Cotton Spinners' Association, is 380 yen per 100 kin, which is roughly equivalent to 5*s*. 9*d*. per lb.

In the United Kingdom, the duty is 3*s*. 6*d*. per lb. under the Ordinary Tariff and 2*s*. 11*d*. per lb. under the Preferential Tariff.

In the United States of America, the duty on fabrics composed wholly or chiefly of artificial silk consists of a specific duty of 2*s*. 0½d. (50 cents) per lb. and 60 per cent. *ad valorem*. If the fabrics are jacquard figured, an additional 10 per cent. *ad valorem* is imposed.

In Canada, the duty on fabrics composed wholly or chiefly of artificial silk is as under :

British Preferential Tariff	27½ per cent. *ad valorem* plus 1*s*. 3*d*. (30 cents) per pound.
Intermediate Tariff	40 per cent. *ad valorem* plus 1*s*. 8*d*. (40 cents) per pound.
General Tariff	45 per cent. *ad valorem* plus 1*s*. 8*d*. (40 cents) per pound.

In France, the duties on silk and artificial silk fabrics are specific, and vary according to the character of the goods, but it would appear that artificial silk piecegoods similar to those imported into India from Japan would be liable to duty at either 120 or 30 francs per kilo (9*s.* or 2*s.* 3*d.* per lb.), depending on whether they are admitted under the general or minimum tariff rates.

From the view-point of revenue, the case for a specific duty upon artificial silk piecegoods is very strong, when one considers that, in spite of constantly increasing imports, the Government revenue has fallen very substantially. It is extremely difficult to estimate what the exact effect on revenue would be, but on the assumption that imports would continue at the rate of the last three financial years—when the average prices, exclusive of duty, of the artificial silk goods imported were As. 10.6 ; As. 8.9 ; and As. 6.6 respectively, the receipts from the duty on artificial silk piecegoods would be approximately 120 lacs of rupees. If the duty on artificial silk piecegoods were continued at 20 per cent. *ad valorem*, an import of 100 million yards per annum might be expected. At to-day's prevailing rates, the value of this yardage would be approximately 300 lacs of rupees, and the duty realised would be about 60 lacs of rupees. On this basis, the net effect of the duties proposed by my Committee would be an increase in revenue of 60 lacs of rupees per annum.

The argument that the consumer would be unduly penalised by the new duties is untenable when one considers that he paid an average price of something like As. 12, As. 10 and As. 7½ per yard for artificial silk cloth during the last three financial years, and would pay, under present conditions, not more than 6½ to 7 annas per yard if the new duties are imposed.

The case for the duties proposed may be summarised as under :—

(1) They would go far to establish the trade which has been built up, particularly by the handloom industry, in artificial silk piecegoods.

(2) They would go far to reduce the severity of the indirect competition from which Indian cotton goods are suffering, and prevent much of the substitution of cotton goods by imported artificial silk goods.

(3) They would be more in consonance with the practice in other countries.

(4) They would remove the anomaly of the present tariff schedule in which the *ad valorem* duty on cotton goods is higher than that on artificial silk piecegoods.

(5) The rates proposed are considerably less than in other countries.

(6) They would make it possible for the handloom industry of the country to produce competitive goods at competitive prices.

(7) They would bring in at least half a crore of rupees additional revenue.

(8) They would not unduly penalise the consumer.

For these reasons, my Committee trust that the Government of India will consider it advisable to introduce the rates of duty proposed in the letter at the earliest opportunity, and if possible, before the end of the present financial year.

TABLE 1.

Imports of Artificial Silk Yarn.

(In pounds.)

000's omitted.

Countries.	1923-24.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.	1930-31.
United Kingdom	247	703	760	654	2,277	1,685	1,427	1,005
Germany	10	7	157	232	131	541	363	270
Netherlands	19	37	130	358	506	708	430	763
France	13	1	32	69	581	342	883	121
Switzerland	22	3	97	428	283	345	406	80
Italy	77	393	1,309	3,843	3,432	3,638	3,483	4,520
Total Imports from all countries ..	406	1,171	2,671	5,776	7,510	7,668	7,353	7,119

TABLE 2.

Imports of Artificial Silk Piecegoods.

(In yards.)

000's omitted.

Countries.	1923-24.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.	1930-31.
United Kingdom	4,547	8,164	6,513	16,079	14,263	12,619	7,227	2,406
Germany	358	811	554	2,487	4,695	2,525	777	300
Belgium	330	607	319	980	757	855	558	216
Switzerland	773	2,090	2,317	6,698	11,054	7,048	6,842	3,169
Italy	2,441	4,964	4,978	13,900	16,022	17,805	11,473	5,575
Austria	15	118	207	846	3,413	2,501	1,683	621
Japan	1	6	9	40	1,134	3,779	25,038	38,207
Total Imports from all countries ..	8,555	17,020	15,362	41,978	53,141	49,801	56,600	51,495

APPENDIX 19.

TERMINAL TAX ON PIECEGOODS IN DELHI.

Letter No. 3230/261, *dated the 2nd December* 1931, *from the Association to the Delhi Municipal Committee, Delhi.*

I am directed by the Committee of the Association to refer to the proposal to revise the Terminal Tax Schedule which, it is understood, is now engaging the attention of the Municipal Committee, and to say that, in doing so, care should be taken to see that the interests of the Indian piecegoods trade are adequately safeguarded.

Delhi has always been an important distributing centre for piecegoods, and it is essential that every facility should be given to merchants to enlarge and extend their trade. The present terminal tax of 4 annas per maund weighs very inequitably on Indian as opposed to foreign piecegoods because of the higher value and lighter weight of foreign piecegoods as compared with that of Indian piecegoods. My Committee are informed that in 1929 the schedule was revised and the tax on Indian piecegoods reduced to 2 annas per maund, but that the reduction was not given effect to owing to the opposition of interested parties.

My Committee feel very strongly that, at the present juncture, when everything possible should be done to encourage the offtake of Indian-made goods, some distinction should be made in the Town Duties charged on Indian-made as opposed to imported piecegoods. My Committee are, however, alive to the need of the Municipality having sufficient revenues, and much as they would have liked to plead for an entire abolition of the tax, what they would now suggest is that the rate for Indian piecegoods should be substantially reduced. They feel sure that if this relief is given, it will materially increase the volume of trade passing through Delhi, and thus ultimately provide a larger revenue than would be the case if the duty is allowed to remain at the present high figure leading, as it must, to a considerable diversion of the trade in Indian piecegoods to other centres which impose no such restrictions on the entry of goods within their territory.

APPENDIX 20.

INDIAN INCOME-TAX (SECOND AMENDMENT) BILL.

TAXATION OF INCOME EARNED ABROAD.

Letter No. 1988-F, *dated the 5th May* 1931, *from the Officiating Deputy Secretary to the Government of Bombay, Finance Department, to the Association.*

Subject :—INDIAN INCOME-TAX ACT : AMENDMENT.

I am directed to forward a copy of Government Resolution No. 1988, dated 5th May 1931, with two spare copies of its accompaniments and to request the favour of the opinion of your Association on the subject as early as possible and in any case *before the 30th June* 1931 *at the latest.*

Government of Bombay, Finance Department, Resolution No. 1988, *dated Bombay, 5th May* 1931.

Letter from the Government of India, Legislative Assembly Department, No. F. 122-II-31-A dated 23rd April 1931 :—

" With reference to the Debates of the Legislative Assembly of the 28th March 1931, I am directed to forward herewith copies of the papers noted on the margin and to request that the Governor in Council will favour this Department with an expression of his opinion on the provisions of the Bill, and with the opinions of such selected officers and other persons as the Governor in Council may think fit to consult on the subject.

1. Bill as introduced with Statement of Objects and Reasons.
2. Extract from Legislative Assembly Debates dated 27th March 1931 and 28th March 1931, regarding the Bill.

" 2. I am also to request that the Bill and Statement may be published in the *Bombay Government Gazette* in English and in such other languages as the Governor in Council may deem proper, and that the dates of such publication may be communicated in your reply.

" 3. The reply to this letter should be sent in duplicate by the 31st July 1931."

RESOLUTION.—The Indian Income-tax (Second Amendment) Bill as introduced with statement of Objects and Reasons, together with the extracts from the Legislative Assembly Debates dated 27th March 1931 and 28th March 1931, regarding the Bill, should be forwarded for favour of opinion to the following, etc., etc.

A Bill further to amend the Indian Income-tax Act, 1922, *for certain purposes.*

Whereas it is expedient further to amend the Indian Income-tax Act, 1922, for the purposes hereinafter appearing; It is hereby enacted as follows :—

1. *Short title and commencement.*—(1) This Act may be called the Indian Income-tax (Second Amendment) Act, 1931.

(2) It shall come into force on the 1st day of April 1932.

2. *Amendment of section* 2, *Act XI of* 1922.—In section 2 of the Indian Income-tax Act, 1922 (hereinafter referred to as the said Act)—

(*a*) in clause (11),—

(*i*) in sub-clause (*a*), after the proviso, the following further proviso shall be added, namely :—

" Provided further that this option shall not be exercised by any person temporarily resident in British India." ;

(*ii*) in sub-clause (*b*), the following proviso shall be added, namely :—

" Provided that this power shall not be exercised in respect of any person temporarily resident in British India" ; and

(*b*) in clause (15), the words " from all sources to which this Act applies " shall be omitted.

3. *Amendment of section* 3, *Act XI of* 1922.—In section 3 of the said Act, for the words " all income, profits and gains " the words " the total income " shall be substituted.

4. *Amendment of section 4, Act XI of 1922.*—In section 4 of the said Act,—

(*a*) for sub-sections (1) and (2) the following sub-section shall be substituted, namely :—

" 4. *Income liable to income-tax.*—(1) Subject to the provisions of this Act, the total income for any year of any person includes all income, profits and gains, from whatever source derived,—

(*a*) which accrue or arise to such person in British India during that year, or

(*b*) which accrue or arise to such person without British India during that year, if he is resident and domiciled in British India in that year, or

(*c*) which accrue or arise to such person without British India at any time, if he is resident but not domiciled in British India in that year,—in so far as he brings them into or receives them in British India during that year.

Explanation.—Profits or gains accruing or arising without British India shall not be deemed to be brought into or received in British India within the meaning of this sub-section by reason only of the fact that they are taken into account in the balance sheet prepared in British India " ;

(*b*) in sub-section (3),—

(*i*) for the words " This Act shall not apply to the following classes of income," the words " Any income, profits or gains falling within the following classes shall not be included in the total income of the person receiving them " shall be substituted ;

(*ii*) the following sub-clause shall be added, namely :—

" (*x*) sums received by a member of a Hindu undivided family as such out of the funds of the family " ; and

(*iii*) the sub-section as so amended shall be numbered as sub-section (2) ; and

(*c*) the following sub-section shall be added as sub-section (3), namely :—

" (3) All income, profits and gains included in the total income of any person, after the deduction of any sums in respect of which, by the provisions of this Act, income-tax is not payable by that person, shall be chargeable to income-tax at the rate applicable to the total income."

5. *Insertion of new sections 4A and 4B in Act XI of 1922.*—After section 4 of the said Act, and in Chapter I, the following sections shall be inserted, namely :—

" 4A. *Residence in British India.*—For the purposes of this Act,—

(*a*) an individual is resident in British India in any year—

(*i*) who remains in British India during that year for six months or longer, whether in one period or in several periods, or

(*ii*) who remains in British India during that year for any period, under circumstances which show that residence in British India is part of the regular order of his life ; and

(*b*) a Hindu undivided family, company, firm or other association of individuals is deemed to be resident in British India unless the central control and management of its affairs is situated wholly without British India.

4B. *Domicile.*—For the purposes of this Act,—

(*a*) a Hindu undivided family is deemed to have the domicile of its manager ; and

(*b*) any other association of individuals is deemed to be domiciled in British India if it is deemed to be resident in British India."

6. *Amendment of section* 6, *Act XI of* 1922.—In section 6 of the said Act,—

(*a*) after the word " Salaries," the words " paid in British India " shall be inserted ; and

(*b*) after the words " Interest on securities " the words " paid in British India " shall be inserted.

7. *Amendment of section* 7, *Act XI of* 1922.—In sub-section (1) of section 7 of the said Act,—

(*a*) after the word " Salaries," the words " paid in British India " shall be inserted ; and

(*b*) after the word " paid," the words " in British India " shall be inserted.

8. *Amendment of section* 8, *Act XI of* 1922.—In section 8 of the said Act,—

(*a*) after the words " Interest on securities " the words " paid in British India " shall be inserted ;

(*b*) for the words " receivable by him," the words " paid to him in British India " shall be substituted ; and

(*c*) in both provisos, for the word " receivable " the word " paid " shall be substituted.

9. *Amendment of section* 11, *Act XI of* 1922.—Sub-section (3) of section 11 of the said Act shall be omitted.

10. *Amendment of section* 12, *Act XI of* 1922.—In sub-section (1) of section 12 of the said Act, for the words "and from every source to which this Act applies," the words "which may be included in his total income " shall be substituted.

11. *Amendment of section* 14, *Act XI of* 1922.—In section 14 of the said Act, sub-section (1) and the brackets and figure " (2) " shall be omitted.

12. *Substitution of new section for section* 16, *Act XI of* 1922.—For section 16 of the said Act, the following section shall be substituted, namely :—

" 16. *Computation of total income.*—In computing the total income of any person, all income, profits and gains falling within any of the classes specified in sub-section (2) of section 4 shall be excluded, but all other income, profits and gains of such person falling within the scope of sub-section (1) of that section and computed in accordance with the provisions of this Act, shall be included ; and for this purpose—

(*a*) all sums exempted under the proviso to sub-section (1) of section 7 and the provisos to section 8 and under section 14 and section 15 shall be included ; and

(*b*) any sum mentioned in clause (*a*) of section 14 shall be increased by the amount of income-tax payable by the company in respect of the dividend received."

13. *Amendment of section* 18, *Act XI of* 1922.—In section 18 of the said Act,—

(*a*) in sub-section (1),—

(*i*) after the word " Salaries," the words " paid in British India " shall be inserted, and

(*ii*) after the words " Interest on securities," the words " paid in British India " shall be inserted ;

(*b*) in sub-section (2), after the word " Salaries," the words " paid in British India " shall be inserted ;

(*c*) in sub-section (2A),—

(*i*) for the words " hereinbefore contained " the words " contained in this Act " shall be substituted ; and

(*ii*) for the words " income chargeable under the head 'Salaries,' " the word "salary" shall be substituted ; and

(*d*) in sub-section (3), after the words " Interest on securities," the words " paid in British India " shall be inserted.

14. *Amendment of section* 21, *Act XI of* 1922.—In clause (*a*) of section 21 of the said Act, after the word " Salaries," the words " paid in British India " shall be inserted.

15. *Insertion of new section* 24A *in Act XI of* 1922.—After section 24 of the said Act, the following section shall be inserted, namely :—

" 24A. *Assessment in case of temporary residents.*—(1) Where it appears to the Income-tax Officer that any person temporarily resident in British India may leave British India during the financial year then current or shortly after the expiry of that year, an assessment may be made in that year on the basis of the estimated income, profits and gains of such person during that year.

(2) In any such case the Income-tax Officer may serve a notice upon such person requiring him to furnish, within such period not being less than seven days, as may be specified in the notice, a return, in the prescribed form and verified in the prescribed manner, setting forth (along with such other particulars as may be provided for in the notice) his estimated total income during the current financial year ; and the provisions of this Act shall, so far as may be, apply as if the notice were a notice issued under sub-section (2) of section 22."

16. *Amendment of section* 42, *Act XI of* 1922.—In sub-section (3) of section 42 of the said Act, the words " and to have been received " shall be omitted.

17. *Amendment of section* 46, *Act XI of* 1922.—In sub-section (5) of section 46 of the said Act, after the word " Salaries," the words " paid in British India " shall be inserted.

18. *Amendment of section* 48, *Act XI of* 1922.—In sub-section (4) of section 48 of the said Act, for the words " arising, accruing or received," in both places where they occur, the words " accruing or arising " shall be substituted.

19. *Amendment of section* 59, *Act XI of* 1922.—In sub-section (2) of section 59 of the said Act, after clause (*a*), the following clause shall be inserted, namely :—

" (*aa*) prescribe rates of exchange for ascertaining the value in rupees of income, profits and gains accruing or arising without British India and not brought into British India."

20. *Amendment of section* 64, *Act XI of* 1922.—In sub-section (1) of section 64 of the said Act, after the words " at any place," the words " in British India " shall be inserted.

Statement of Objects and Reasons.

Under the Indian Income-tax Act of 1922 (Act XI of 1922), while liability to tax is in certain circumstances affected by the residence of the person concerned, it depends mainly on the " origin " of the income (that is to say, the place where it accrued or arose) and the place where it is received.

2. With unimportant exceptions, income received outside British India by or on behalf of a resident in British India is not liable to Indian income-tax unless—

(*a*) it is derived from business,

(*b*) it is remitted to British India, and

(*c*) it is remitted within 3 years of the end of the year in which it is received [*vide* section 4 (2)].

3. The effect of this feature of the law must be to offer an inducement for the investment of money abroad, which might otherwise be invested in India, and thus not only to reduce the Indian revenue from income-tax, but also to affect adversely the supply of capital for investment in India.

4. It is therefore considered desirable to amend the law, following the lines of the law in force in the United Kingdom, so as to make residence the *main* basis of liability while still retaining origin and remittance into British India as bases of liability in certain circumstances.

Notes on Clauses.

Clause 2 (*a*).—These amendments are designed to prevent a person temporarily resident in British India from avoiding or reducing liability to tax by the expedient of selecting as his " previous year " a period that will produce such an effect ; and also to prevent the power vested in the Central Board of Revenue of determining an assessee's previous year from operating unfairly in the case of a temporary resident. It is proposed that such persons should always be assessed on the basis of their total income in a financial year.

Clause 2 (*b*).—This alteration is consequential on the general scheme of the Bill as explained below.

Clauses 3 *and* 4.—The two leading charging sections 3 and 4 have been redrafted. Section 3 as amended declares what persons are liable to tax, and also declares that they shall pay tax on their total income of the previous year.

New section 4 (1) (*a*) in effect repeats existing sub-section (1) of section 4 omitting the reference to receipt.

Clauses (*b*) *and* (*c*) *of amended section* 4 (1) follow the main lines of the English law.

Thus, new section 4 gives, in the first place, a comprehensive outline of an assessee's total income of any given year, and then, in sub-section (2), gives a list of the classes of income which shall be excluded from the computation of the total income. Sums received by a member of a Hindu undivided family have been transferred here from section 14 (1). New sub-section (3) then proceeds to " charge " all income, profits and gains comprised in the " total income," less sums exempted, with tax at the rate applicable to the whole income.

Clause 5.—Proposed sections 4A and 4B define ' residence in British India ' and ' domicile ' for the purposes of the Act. As regards ' residence,' section 4A broadly follows the English law as interpreted by judicial decisions but avoiding complicated details. Section 4B defines the domicile of a Hindu undivided family and of an association of individuals other than a Hindu undivided family, including a company and a firm.

Clauses 6, 7, 8, 13, 14 *and* 17.—The first two heads of income in section 6 of the Act are "Salaries" and "Interest on securities," and these heads are explained in sections 7 and 8. Section 18 provides a special machinery for the collection of tax under these two heads, namely, collection in advance by deduction at source. The machinery, obviously, can only be enforced where the deducting agency is within British Indian jurisdiction, and can have no application to taxable salaries and interest paid abroad. Hence the series of amendments in these clauses restricting the two heads to "Salaries paid in British India" and to "Interest on Securities paid in British India,"—which is in effect their present scope. Salaries and interest on securities paid abroad, which will now become taxable, will be included in the sixth head—"Other Sources."

Clause 9.—With the introduction of the "residence" basis in section 4, sub-section (3) of section 11 becomes superfluous.

Clauses 10, 18 *and* 20 contain consequential drafting amendments.

Clause 11 should be read with the amendment proposed in clause 4 (*b*) (*ii*). Section 4 (3) as it now stands speaks of classes of income to which the Act does not apply. In relation to the shares of the family income dealt out to members of a Hindu undivided family, this phrasing was not quite applicable and these shares were not included in the completely exempted classes of income given in section 4 (3). Nevertheless, these shares are not taxable, and are not even included in the total income of the recipient for the purposes of assessment of his separate income. These propositions are contained in sections 14 and 16 of the Act, as they now stand. This method of securing complete exemption to these shares does not fit into the amended forms proposed in the sections concerned, and it has been found expedient to include these shares in the totally exempted classes of section 4 (3) and to delete section 14 (1). These changes, therefore, are of a merely drafting nature.

Clause 12.—Section 16 has been recast so as to give a detailed account of the process of computing total income.

Clause 15.—New section 24 (*a*) enables an Income-tax Officer to assess without waiting for the termination of the financial year the income of a person temporarily resident in India.

Clause 19 gives to the Central Board of Revenue power to prescribe rates of exchange for taxable income arising anywhere abroad and is an extension of the principle already contained in section 18 (2A).

NEW DELHI, 6*th March* 1931. GEORGE SCHUSTER.

Extract from the Legislative Assembly Debates, Vol. IV, No. 2.

The Assembly met in the Assembly Chamber of the Council House, New Delhi, on Friday, the 27th March 1931.

* * * *

THE INDIAN INCOME-TAX (SECOND AMENDMENT) BILL.

SOME HONOURABLE MEMBERS: Shall we now adjourn?

MR. PRESIDENT: The Chair wishes that the Honourable Member should move his motion and the House should then adjourn till to-morrow.

THE HONOURABLE SIR GEORGE SCHUSTER (Finance Member): I move:

"That the Bill further to amend the Indian Income-tax Act, 1922, for certain purposes, be referred to a Select Committee consisting of Mr. R. K. Shanmukham Chetty, Diwan Bahadur T. Rangachariar, Mr. Jagan Nath Aggarwal, Diwan Bahadur A. Rama-

swami Mudaliar, Sir Cowasji Jehangir, Sir Hugh Cocke, Mr. A. H. Ghuznavi, Rao Bahadur S. R. Pandit and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

I take it that it is not your intention that I should make any speech on the subject now but merely that I should move the motion.

MR. PRESIDENT: I would prefer if the Honourable Member will explain why he wants a Select Committee in view of the several amendments for circulation; if the Honourable Member places his own case before the House, the discussion on the amendment will be simplified; but I cannot force the Honourable Member to do so; he can do what he likes.

THE HONOURABLE SIR GEORGE SCHUSTER: I trust that Honourable Members will recognise that I had not expected that we should get to this business to-day, but . . .

MR. PRESIDENT: If the Honourable Member is not ready, I will put it off till to morrow.

THE HONOURABLE SIR GEORGE SCHUSTER: I think I can explain quite shortly what the position is; I will not attempt to go into any details of the provisions of the Bill. I have already on other occasions explained to the House that we were anxious on the Government side to get this legislation through as quickly as possible because we believed that if this Bill could be passed into law and come into operation at the beginning of the next financial year, it would produce substantial revenue and would also have other beneficial effects on the general financial situation. But the Bill as drafted is only drafted to come into operation on the 1st April 1932; and when I referred the other day to the idea of bringing it into earlier operation I had in mind that it might be possible that it should be amended in Select Committee to come into operation a year earlier. Now, as I see on the paper several motions for circulation coming from different quarters of the House, I wish to make it clear that the intention to get it through very quickly, almost to "rush it" through this session, was never intended to prevail against any general feeling in this House that that was treating legislation on a very important matter with too great rapidity; and if those Honourable Members who have put down motions for circulation wish to press for circulation and have support in this House, then we would accept the motion for circulation. But it was our intention in any case to move for the appointment of the Select Committee; what we had in mind was that we should get the Select Committee appointed and then circulate the Bill by executive instruction, endeavour to get opinions some time before the Simla Session and get the Report of the Select Committee before the House at the beginning of the Simla Session, so that this legislation could be passed in good time, if the House approves of it during the Simla Session, and therefore, Sir, I would still move for the appointment of a Select Committee, although I would accept the motion for circulation if that appears to be the wish of a substantial body of Members in this House. Sir, I move.

SIR COWASJI JEHANGIR (Bombay City: Non-Muhammadan Urban): May I ask one question before the Honourable the Finance Member sits down?

MR. PRESIDENT: Please wait. Motion moved:—

"That the Bill further to amend the Indian Income-tax Act, 1922, for certain purposes, be referred to a Select Committee consisting of Mr. R. K. Shanmukham Chetty, Diwan Bahadur T. Rangachariar, Mr. Jagan Nath Aggarwal, Diwan Bahadur A. Ramaswami Mudaliar, Sir Cowasji Jehangir, Sir Hugh Cocke, Mr. A. H. Ghuznavi, Rao Bahadur S. R. Pandit and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Now, the Honourable Member can ask his question.

SIR COWASJI JEHANGIR: In the procedure suggested by my Honourable friend, would it imply that the House accepts all the principles of the Bill? There are so many

principles involved in the Bill that, unless we really go into every principle, it will be difficult to bind ourselves to all the principles of the Bill. If you would accept that, then the procedure would exempt us from being bound to every principle involved in the Bill.

THE HONOURABLE SIR GEORGE SCHUSTER: So far as I am concerned, Sir, I have no intention of binding the House in any way at all. I merely suggested this procedure as being the most convenient way of dealing with this particular piece of legislation. I am not sure where there is any precedent for the course that I propose, but I would certainly suggest that it ought to be possible to adopt it without embarrassing any Member of the House in the way that has been suggested by my Honourable friend. It is certainly our intention not to introduce any embarrassment of that kind.

MR. PRESIDENT: In view of what has fallen from the Honourable the Mover, I should like to ask Mr. Biswas how much time he will take to move his amendment if I call upon him to do so.

MR. C. C. BISWAS (Calcutta: Non-Muhammadan Urban): Since we have to go into the question of the principle of the Bill, I might take about half an hour, Sir.

MR. AMAR NATH DUTT (Burdwan Division: Non-Muhammadan Rural): Raja Bahadur Krishnamachariar who has an amendment standing in his name is not here, Sir.

MR. PRESIDENT: That will come later.

MR. R. K. SHANMUKHAM CHETTY (Salem and Coimbatore *cum* North Arcot: Non-Muhammadan Rural): Sir, in the light of the procedure suggested by the Finance Member, I would like to suggest to my Honourable friend Mr. Biswas and to this House that it will on the whole suit the convenience of this House if that procedure is accepted and the discussion cut short. After all, so far as I am able to read the principle of the Bill, it is simply this, that we ought to tax foreign investments, and that, I suppose, would be a principle which would be acceptable to every one of us. If that is so, and if the Bill is circulated for executive action to the various persons and bodies who are competent to express an opinion, the Select Committee might meet before the Simla Session, and by that time the opinions of the various bodies in the country would be available to the Select Committee, and probably, Sir, the Select Committee might make its Report in time for the Simla Session, and in the light of the suggestion thrown out by the Honourable Member, I would like to ask Honourable Members to consider whether it would not really meet the object in view.

MR. N. R. GUNJAL (Bombay Central Division: Non-Muhammadan Rural): My suggestion with regard to a Retrenchment Committee is . . .

MR. PRESIDENT: This has nothing to do with the Retrenchment Committee.

MR. N. R. GUNJAL: My suggestion is that if there is one Member from each Province it will be a good thing.

MR. PRESIDENT: That is not the issue before the House now. With reference to what has fallen from the Deputy President, I should like to tell the House that four Members have given notice for circulation, and Mr. Biswas, one of them, wishes to move his amendment and expects to take half an hour in doing so. The Chair has therefore no alternative but to adjourn the House till to-morrow.

I should like to remind Honourable Members that His Excellency will address the Members of both Houses to-morrow at 11 o'clock, and the Assembly will meet thereafter at 12-15 for the transaction of business. I therefore adjourn the House till 12-15 to-morrow, and I expect Honourable Members will be here in time to hear His Excellency address the joint session.

Extract from the Legislative Assembly Debates, Vol. IV, No. 3.

The Assembly met in the Assembly Chamber of the Council House, New Delhi, on Saturday, the 28th March 1931.

* * * *

THE INDIAN INCOME-TAX (SECOND AMENDMENT) BILL.

MR. C. C. BISWAS (Calcutta : Non-Muhammadan Urban) : I beg to move that the Bill to amend the Indian Income-tax Act, 1922, for certain purposes, be circulated for the purpose of eliciting opinion thereon by the 31st July 1931.

My reasons for doing so are these. There can be no question that this Bill proposes to introduce a new principle in the Indian Income-tax Act. That principle is this. It is suggested for the first time in India that foreign incomes should be taxed, although they do not accrue or arise or are not received in British India. The existing provisions of the law, I presume, are well known to Members of this House. The present law is that it is only income which arises or accrues in British India or is received in British India that is liable to income-tax. There is one exception, namely, that in the case of business. If income is derived from business outside British India, it is liable to be taxed, provided, however, such income is remitted to British India within three years. The suggestion that foreign income might be taxed was considered by the Indian Taxation Committee in the course of their inquiries. Later on, Sir Walter Layton in his Report also suggested that this was a source of taxation which ought to be explored, and explored not merely for the purpose of deriving additional revenue, but also for the purpose of checking the flow of capital out of India. This Bill, Sir, is designed to give effect to these objects which had been set out in Sir Walter Layton's Report.

My first grievance in connection with this Bill is this, that it has been brought before us without giving an opportunity to the persons concerned to express their opinions upon it. It is an innovation. There can be no question about it. In the Statement of Objects and Reasons it is explained that it is proposed in this Bill to follow the lines of the English law on the subject, but I believe I am not incorrect in stating that, except in England, this principle of taxation of foreign incomes does not obtain in any other part of the British Empire. The implications of this are very serious. So far as additional revenue is concerned, the Indian Taxation Enquiry Committee came to the conclusion that the loss of revenue was not very much. As regards the other object, namely, the prevention of capital going out of India, it might no doubt achieve that purpose to some extent, but I submit that that object should have been achieved and could have been achieved in a much more effective manner by other means. Some of these means had been suggested by my Honourable friend, Mr. Chetty, in the course of the Budget discussion, namely, the utilisation of the Debt Redemption Fund for open market operations, in purchasing Government securities both here and in England as and when their prices sagged. I will not go into that question. The Finance Member in his reply to Mr. Chetty touched upon that, but I submit that he did not give any effective reply to the arguments which had been brought forward by Mr. Chetty. The Finance Member was obliged to admit that the psychological effect of such open market operations would be tremendous, but he thought it would be a drop in the ocean. I am not satisfied that it would be a drop in the ocean,—that it would not have much larger and more beneficial effects. That remains to be seen. The experiment has yet to be tried. However, Sir, I will confine myself to the present Bill. There is in it not merely the principle of taxing income accruing abroad, but more than that, there is another principle lurking behind the apparently innocuous provisions of it which ought to be taken serious notice of. I refer to the principle which is embodied in clause 4 of the Bill. That principle is one of differentiation between two classes of persons whose foreign income it is proposed to subject to taxation for the first time. If you look at that clause, you will find item (*a*) of sub-clause (1) thereof refers to income which accrues or arises to a person in British India during the year and so far as that is concerned, there is not much to say about it, but when you come to the next two items, there is a dangerous differentiation to which I take very strong exception. These deal with foreign income. Clause (*b*) deals with income

which accrues or arises to a person without British India, where that person is *both resident and domiciled* in British India, whereas clause (*c*) deals with income which accrues or arises to a person without British India, where that person is *merely resident in British India, but not domiciled there.* In the case of a person who is both resident and domiciled, the Bill suggests that the tax should be levied on that income during the year in question, whether that income is brought back into India or not; whereas in the other case, where you are dealing with a person who is resident in India but has not an Indian domicile, it is provided that the tax will be assessed *only in so far as the income is brought into, or is received in, British India.* I submit, Sir, no explanation has been offered in the Statement of Objects and Reasons to justify such a discrimination. Let us consider for one moment what it means. It means, in effect, discrimination between Indians and those who are not Indians, mainly, my British and European friends. If an Indian has any investments abroad, he will have to pay Indian income-tax upon such investments, because an Indian would be a person who has not merely his residence, but also his domicile here; but in the case of an Englishman, ordinarily he will not be a person with an Indian domicile. The Englishman who comes out to India for business or for any profession does not generally renounce his English domicile. No doubt it is open to him to do so, but ordinarily, in ninety-nine cases out of a hundred, or even more, almost in cent per cent cases, the Englishman who comes out to India retains his English domicile. Therefore, Sir, whereas an Englishman who has his investments abroad would be ordinarily exempt from the proposed new taxation, because he would be a person who is resident, but not domiciled, in India,—and it is only when that income is brought to India that it will be taxed, it would be otherwise with an Indian. No doubt the proposed law goes to some extent beyond what we find in the present Indian Income-tax Act. The present Act provides, as I have already pointed out, in Section 4, sub-section (1), that it is only where there is a business abroad and the income derived from it is brought or remitted to British India within 3 years of the end of the year in which the income accrued, that it is assessed to income-tax. If it is not received in or brought into British India within three years, it is not taxed. This limitation is now done away with, so also the other limitation, that it must be income derived from business. All the same, Sir, I do not find that any case has been made out for drawing any such distinction as has been done between clauses (*b*) and (*c*). What happens nowadays is this. We know in Calcutta, for instance, our High Court Judges go on leave, and their leave salaries they draw not here but in England. What happens? The leave salaries are exempt from Indian taxation, and they are exempt from English taxation as well. In passing, I may add that this encourages the habit of non-Indian servants of the Crown prolonging their stay in England as much as they can, with the result that India loses the benefit of their services to that extent, services for which India has got to pay. All this will remain as it is wholly unaffected by the Bill, except that if it is an Indian going to England on leave, he will have to pay the tax. So, Sir, I consider that this is a dangerous principle which is being laid down in this Bill, and one reason why I am not prepared to accept the suggestion which was made by the Honourable the Finance Member yesterday that we might agree to a Select Committee now and then leave it to the executive to obtain opinions for circulation, is this,—because it might commit the House to an acceptance of this very mischievous and obnoxious principle. I do not know if the Honourable the Finance Member would be willing to leave this question open also.

SIR HARI SINGH GOUR (Central Provinces Hindi Divisions: Non-Muhammadan): That cannot be done under the Standing Orders and Rules, even with the consent of the House.

MR. C. C. BISWAS: My Honourable friend, Sir Hari Singh Gour, points out that under the Standing Orders and Rules, even with the consent of the House, this cannot be left open; so in that view, I must oppose reference to a Select Committee. I am anxious, Sir, that this question must be thoroughly gone into; and it is not, in my opinion, sufficient justification to say that in England the practice is to tax income arising or accruing abroad. The conditions there and the conditions here are not the same. They are not faced there with any such question of racial discrimination, as we are in India. In effect, Sir, this amounts to racial discrimination; and I for one would not be a party to any legislation which embodies such discrimination in favour of persons resident but not domiciled in India. If you want to tax incomes arising abroad, well, let that taxation apply to all equally. Make

residence the test of liability, if you will, but make that test uniform in all cases. Sir, I do not know who is responsible for drawing up the Statement of Objects and Reasons, but with all respect I must say, the Statement is very disingenuous. The Statement says this :—

> " Under the Indian Income-tax Act of 1922 (Act XI of 1922), while liability to tax is in certain circumstances affected by the residence of the person concerned, it depends mainly on the ' origin ' of the income (that is to say, the place where it accrued or arose) and the place where it is received."

That is to say, it depends on whether the income was received in British India or not ; and then, Sir, later on, it says :—

> " It is therefore considered desirable to amend the law, following the lines of the law in force in the United Kingdom, so as to make residence the *main* basis of liability, while still retaining origin and remittance into British India as bases of liability in certain circumstances."

Now, why should that be so ? Why should residence be made the " main " basis, and why should residence be the main basis only in cases of Indians, that is to say, of persons *resident and domiciled* whereas origin or remittance to British India should still be left as the criterion in other cases ? The Statement says :—

> " While still retaining origin and remittance into British India as bases of liability in certain circumstances."

Why should there be such " *certain circumstances* " ? That, Sir, I object to, and object to very strongly. I am sure none of my friends here will for one moment be prepared to admit any such unfair discrimination against Indians.

Apart from this, Sir, there are other difficulties, which do not appear to have been adequately considered or provided for. Sir, this will inevitably lead to questions of double taxation or treble taxation or quadruple taxation or multiple taxation. How is it proposed to meet those difficulties ? I do not find any provisions anywhere to meet that aspect of the matter. Section 49 of the Indian Income-tax Act now deals with the question of double taxation only in respect of the United Kingdom, and provides some relief. It is working in a satisfactory manner from the Indian point of view. The major part of the cost of relief falls on the British exchequer, and from that point of view, it is welcome, but, Sir, if you have this Bill, the United Kingdom is not the only country which you have got to deal with ; there will be other countries as well. What arrangements are you going to make in order to avoid multiple taxation ? That is a very important question, Sir, and it would not do merely to afford relief in the case of the United Kingdom ; you must be fair and square, and that is a very very difficult matter. Take a concrete case, by way of example. Suppose, a person, resident in India, has his domicile in England and holds certain railway securities, and suppose these securities are in a safe deposit vault in France ; the railway itself has its head office in Germany, and its track may be traversing a number of countries in the Continent. Where and how is the income derived from those securities to be taxed ? It will not be fair to subject a man to taxation in respect of the same income in more than one place. So, such questions of conflict of jurisdiction are bound to arise. And if they arise, they will have to be dealt with and provided for. There is no provision in this Bill for that purpose. It will not do to say that the Government of India will frame rules in that behalf. It is not a matter which can be left to be disposed of in that way. You do not dispose of a matter of that kind, so far as the United Kingdom is concerned, by means of rules. You have a specific section (Section 49) inserted in the Act itself, and it will not be so simple in the case of other countries as it is in the case of the United Kingdom. These reciprocal arrangements have got to be made, and they have got to be provided for. And that, I submit, does require more adequate consideration than seems to have been bestowed on this aspect of the question.

Sir, as I have said, this identical proposal, which is now before us, had been put forward in Sir Walter Layton's Report, and it passes my understanding what prevented

the Government from inviting public opinion on that proposal, if it was their intention to bring forward a Bill on the lines of that suggestion. It is not fair to come up here nearly at the fag-end of the session with a Bill of this kind, and then to move that the matter be referred to a Select Committee and be passed forthwith. That is not a fair way of doing it.

Then there is another question to be considered. We are on the eve of constitutional changes, and we have before us the promise or the prospect of a Federation. The Indian States may come into that Federation. Well, Sir, we shall have to consider the question as between British India and the Indian States. How are you going to adjust the income-tax as between British India and the Indian States ? Sir, if there is a Federation, then you have got to consider the question whether the income-tax will be a local tax, a State tax or a Federal tax. As we are working against time, I do not wish to go into that question, but I had been studying this matter and in Seligman's book, a very interesting book, I find that a whole chapter is devoted to the consideration of this question as to whether the income-tax should be a Federal tax or a State tax ; and the difficulties involved in the solution of this question are fully explained therein. If in the new constitution income-tax is to be something on Federal lines, then all these difficulties will have to be met and provided for. Although it is proposed to introduce a new principle for the first time, I do not find any indication in this Bill that all these aspects of the question have received any consideration at all or any provision has been made for them. On these grounds, I submit, I have made out a case that the Bill should be circulated for eliciting public opinion thereon. Sir, there are other questions also which require looking into, but I do not wish to touch on them at this stage.

I move my amendment.

MR. PRESIDENT : Amendment moved :—

" That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st July 1931."

SIR HARI SINGH GOUR : Sir, Honourable Members of this House must realise one fact and that fact is that, though this tax may fall upon a small number of members of the community, it is one of those taxes which may be distributed over the whole population. I raised this question last year in connection with the income-tax and I then pointed out that the income-tax, like all taxes, is eventually distributed over the whole population. I now read to the House the views of eminent authorities on that subject. Lord Mansfield says :—

" I hold it to be true that a tax laid in any place is like a pebble falling into and making a circle in a lake, till one circle produces and gives motion to another, and the whole circumference is agitated from the centre."

Then it is pointed out :—

" For taxes, like the various streams which form a general inundation, by whatever channels they separately find admission, unite at last and overwhelm the whole."

The above are the quotations from pages 153 and 154 of Seligman's book on " The Shifting and Incidence of Taxation." Honourable Members must not, therefore, dismiss this question as if it were a question which only concerns a few of them or a few members of the outside community. It is a question which raises the vital principle, a principle which will affect the people of India at large.

Now, Sir, what is the principle of this Bill ? The Honourable the Finance Member, in his Statement of Objects and Reasons appended to this Bill, has made it abundantly clear that, so far as the persons domiciled in this country are concerned, he will tax them upon all incomes from whatever place derived, whether in British India or outside British India. But so far as the residents in British India are concerned, they will be exempted from the tax in respect of their outside investments. The Honourable the Mover of this amendment, Mr. Biswas, in his able and eloquent speech, for which I congratulate him,

has pointed out that this obnoxious distinction between persons who are residents and persons who are domiciled in this country raises a thorny question upon which I have not the slightest doubt my Honourable friends occupying the European Benches will agree that they probably protest as much as we do upon this discrimination. I submit that if the tax is to be levied at all, it must be leviable from all persons who are residents in this country for a period of, say, six months or more. But to make a distinction in favour of residents and against those people who are domiciled in this country, is, I submit, re-introducing a racial discrimination regarding the incidence of this taxation.

Now, Sir, the point that I wish to make in connection with this Bill is that this Bill would not prevent the flying out from this country of capital to which the Honourable the Finance Member refers. The House knows very well that there is such a thing as free trading in investments. The other day when Sir Basil Blackett addressed this House he said that he was looking forward to the day when the people of India would invest in securities overseas and when India would become a capitalist country. He said that it was his idea towards which he was working. I too join with him that it will be a good day for the people of India when they invest their money in securities outside and thus create world connection. The Honourable the Finance Member may say that you might invest your money outside India, but you shall pay income-tax in this country. Some Honourable Members, the other day, said that there was no distinction between income-tax and land tax. I was surprised to hear my Honourable friend, Maulvi Muhammad Yakub, discoursing upon the non-existence of any distinction between agricultural income and other incomes. I find that in this book a whole chapter is devoted to the determination of the question as to whether the rent payable by agricultural holders is rent or tax, and the economists are almost evenly divided upon the question whether it can be regarded as tax or is really a rent for the use and occupation of the land. That being the case, I submit the case of the income-tax payer in this country is very different to an occupant of land. He pays a tax to the State for the protection he receives both in respect of his person and property, but what protection does the State give him as regards his outside investments ? Does the State guarantee return of his capital or of his interest ? Is the State prepared to go to war if the investor in a foreign security loses his money and the foreign State refuses to pay him ? Is there such protection vouchsafed by the State to an investor in India ? I submit not. He takes the risk. He invests his money outside because he feels or perhaps he finds that he is able to invest his money to greater advantage than what he is able to obtain upon his investment in this country. The taxes in this country are high, leaping up higher and higher every year, and I feel that every Indian has got the right to take his money outside the country if he finds he can make better use of it. Why should you prevent a man going out of India and selling his brain to the highest bidder ? If you cannot prevent a man from going out of India and selling his brain to the highest bidder how can you prevent him from taking his money outside for a profitable investment ? Sir, the Finance Member complains of the flight of capital from this country. But who is responsible for it ? Are not the crushing taxations driving capital out of the country and how will it prevent the flight of capital from the country ? That, I submit, is a question which Honourable Members of this House must carefully consider, and they should not allow this Bill to go through unless they are satisfied that the imposition of a tax upon investments abroad would be for the benefit of this country and would not be harmful to the investor concerned. (Hear, hear.)

The Honourable the Mover of this amendment has pointed out that this Bill makes one clean sweep of all investors in foreign securities, forgetting that in foreign countries such investments may be liable to local income-tax. There are countries in which an investor has to pay a tax. Does this Act give any relief to such an investor, if he has already paid a foreign tax ? No provision is made for it. There are a very large number of people doing business in this country who have got their shops in the Indian States and who carry on a very large business in the Indian States. If this Bill becomes law, such business men will be liable to pay income-tax in respect of business which they carry on in the Indian States, whatever may be the local taxation to which they may be otherwise subject. I therefore submit that, so far from agreeing to the principle of this Bill, this House must circulate it with its strong expression of opinion that it is a Bill of doubtful utility and that, unless it receives a consensus of support from the mercantile and other business communities, it should not be pushed through. Sir, I support the motion for circulation.

SIR HUGH COCKE (Bombay : European) : Sir, I also support the motion for circulation, having a similar motion on the paper myself. The motion was put down some time ago at a time when we expected the Bill to be introduced, or rather to be discussed, much earlier than what has proved to be the case. We thoroughly admit that this Bill is somewhat involved in its provisions. The essence of the Bill perhaps is a comparatively simple matter and it is explained in clause 4, but I think in practice it will be found that there are clauses which present rather involved circumstances in connection with Indian States and so on, which in themselves justify the circulation of this Bill. It has always been the practice, I think, for Income-tax Bills of any importance to be circulated for opinion, and I do not think that that healthy course should be departed from in this particular case. As regards the suggestion that the Bill could be circulated after it has been tackled by a Select Committee, or after it has been passed, that is a very unusual course and it does not appeal to me at all. In the first place the Select Committee named on the Order Paper will not necessarily be the Select Committee which will be suitable for Simla, because that Select Committee was constituted on the basis that the Bill would be discussed in a Select Committee in Delhi, and I, for my part, should not, I fear, be able to serve on that Committee in Simla. Therefore, I should prefer that this Bill should be circulated and on receipt of opinions, I should like a new Select Committee appointed in Simla to discuss the Bill. I think the speeches already made show that this Bill is not entirely understood. I said just now that in essence it is a simple measure and I repeat that, because, it only seeks to do what the income-tax law in England does, and as our income-tax legislation is based for the most part on the English law, it is not perhaps out of keeping that we should introduce provisions in our law which follow that law. There is nothing extraordinary in the suggestions made although Sir Hari Singh Gour stated that in his opinion this Bill is a new departure. The whole point is that a foreigner in this country, someone from overseas who is temporarily resident in India, is going to be treated exactly in the same way as the resident from overseas is treated in Great Britain. To-day a permanent resident in Great Britain has to pay income-tax on interest and dividends from his foreign investments, even though they are not remitted. It is proposed the same thing should be done in India and that thereby the flow of capital out of India, which undoubtedly goes on at present to reduce income-tax and super-tax, will be stayed. It is perfectly natural, if you get a man on the borderline of super-tax, for him to allow his foreign investments to mount up and thereby keep his Indian income-tax below the super-tax limit. That is done frequently and it is a deliberate and perfectly reasonable avoidance, so that I just want to point out to Sir Hari Singh Gour that the general underlying principle of this Bill is the well-known principle which applies under the English law and which is stated in para 4 of the Statement of Objects and Reasons which runs as follows :—

> " It is therefore considered desirable to amend the law, following the lines of the law in force in the United Kingdom, so as to make residence the *main* basis of liability, while still retaining origin and remittance into British India as bases of liability in certain circumstances."

That, I say, is merely copying the British law. We, on these Benches, have no desire that this matter should be rushed through the House. The House should have every opportunity of considering whether it wants to follow the British law or whether it does not. On the argument of the flow of capital, I think Sir Hari Singh Gour was rather inclined to contest the efficacy of this Bill to prevent that. But I think he is on weak ground there. I think there is no question whatever that the passing of a Bill of this sort will make many people hesitate to send money abroad for foreign investment where they do it now with the deliberate object of keeping down their income-tax, preventing the amount, perhaps, being assessed on a higher grade or, still more, preventing their income from rising into the super-tax grade. And as long as anyone in this country can, by investing in America or anywhere else, keep down the income which he has to return to the Indian authorities and thereby keep down his income-tax and super-tax and possibly avoid super-tax, so long it is obvious that you are going rather to encourage than to resist the flow of capital out of India. There have been attempts at Geneva, I believe, to get provisions of income-tax laws which will be more or less suitable and reciprocal to all countries. Sir Hari Singh Gour mentioned that while there was income-tax relief in the Dominions as between India and Great Britain or Great Britain and Canada, there was no relief in double taxation as between India and

France ; and therefore if he invests some of his hard-earned wealth in France, he will have to pay income-tax there, whatever it may be, and he will again have to pay income-tax in India, whatever it may be. There is in that case undoubtedly double taxation just as to-day there is double taxation when anyone who lives in Great Britain, has invested in dollar securities and has to bear the income-tax in America in addition to the British income-tax. There is no relief. So there is nothing new in this matter.

That, Sir, is all I have to say at this stage. I have not attempted to go into all the details of the Bill to the extent one would do before going into Select Committee, because it seemed all along that this Bill was not going to be reached, and, if reached, the motions for circulation would not be opposed ; and therefore I do not profess to have studied all the details of the Bill. But I repeat that on general principles this Bill seeks to do nothing new in so far as the income-tax law and practice in Great Britain is concerned.

MR. B. DAS (Orissa Division : Non-Muhammadan) : Sir, I was surprised the other day when I found the Honourable the Finance Member shelving this Bill till the next session of the Assembly. His previous speeches led me to think that this Bill would be passed in this session and some more revenue would come in for the State. It seems some powerful influence has been exercised and the Honourable the Finance Member cannot persuade himself to see the Bill through. I suggest to him that he should hold a sitting of the Select Committee in this session and discuss the various points that have been raised from the three points of view by the Honourable speakers who spoke before me, and thereafter if the Select Committee comes to the conclusion that commercial and public opinion should be consulted, they may be consulted. Sir, I found my Honourable friend, Mr. Biswas, challenging Government that a discriminating policy has been introduced in the Bill, and from the incidents he cited, it appears that there may be discrimination. I understand certain Government officials, when they go home, take advantage of their leave and evade payment of income-tax to the Indian exchequer, at the same time evading payment to the British exchequer.

SIR HUGH COCKE : That is not evasion. It is laid down in the rules.

MR. B. DAS : My friend Sir Hugh Cocke is an expert in these things and he will no doubt assist the Select Committee in this matter. My Honourable friend Sir Hari Singh Gour, wanted that there should be no assessment of income-tax on capital invested in foreign countries. I am not a lawyer but a practical business man, but I think that the State has certainly a right to tax any money that the people of the State derive. It is well known that many people in British India and the Indian States put their money in French and German banks for their own pleasure or for security, which we do not know. And when money is invested in foreign countries and a certain income is derived, I think the paramount State has a right to tax that money invested outside. As to the view which my Honourable friend, Sir Hugh Cocke, expressed that the principle of this Bill is in line with the principles by which income-tax rules in Great Britain are governed, I will agree with him, but I do not know why he wanted a postponement of this piece of legislation to the next session. If the Government derives about 40 or 50 lakhs, as my Honourable friend, the Finance Member, said the other day, by this method of taxation, the taxation will come from the richest people. Why should they not pay the tax, and why should we fight on the floor of the House to tax the poorer classes of the people ? Of course until my Honourable friend, Mr. Biswas, spoke, I never knew that this Bill would raise any controversy such as racial acrimony on the floor of this House. As I found that the Finance Member had already anticipated some opposition, he probably had some private talk in the lobbies with those who want postponement of this Bill and want it to be circulated. I strongly press upon the Finance Member that he should hold a meeting of the Select Committee before this session expires, and then embody the recommendations of the Select Committee when circulating the Bill for the opinion of the different Chambers of Commerce and also of the Press.

MR. MUHAMMAD YAMIN KHAN (Agra Division : Muhammadan Rural) : Sir, I am afraid I cannot endorse the view in favour of circulation of this Bill. I know that when a Bill is circulated for eliciting public opinion, it means that the general public is interested in a particular measure, and when millions of people are affected, it is necessary to obtain their views on a particular Bill. The Bill which is now before us is not of a nature which

is going to affect a large portion of the public, and I do not know what will be gained by circulating this Bill to obtain the opinion of a handful of people who are really interested in this matter. When the general public come to know about this, they will probably not care even to express their opinion in a matter which does not concern them ; and it will really be a waste of time and money and waste of energy if this Bill is circulated for eliciting public opinion. I know, Sir, that the people who are interested, or their representatives, are present in this House. They can speak for themselves ; they can amend the Bill as they like. But to send this Bill to a handful of people and take their opinion is from my point of view absolutely uncalled for.

I know, Sir, that there are some people who are sending their money outside India, and they are doing this with the obvious object of gaining a benefit by avoiding the super-tax, by bringing down their taxable income in this country to the lowest limit, so that they can escape the super-tax. But may I ask the Honourable Member, is it for the benefit of India or is it against the interests of India ? My Honourable and learned friend, Sir Hari Singh Gour, says that he wants to see India as a capitalist country and he wants to see people sending their money outside in order to gain simply the certificate that our country may be called a capitalist country. I do not see any good for the country in his arguments. It may be for the good of a few individuals who have got big incomes, who think that, instead of profiting their country by investing their money inside the country, they should send the money outside. In my opinion they are doing a very unpatriotic thing. When we have to pay a high rate of interest to the people from outside who have invested capital in India, they get out of us a lot of money in the shape of interest ; and our unpatriotic gentlemen see their way to invest their money outside India. My friend, Sir Hari Singh Gour, wants the benefit or support to be given to those gentlemen who are pleased to ignore their own country and invest their money outside their country. (Interruption.) I fail to see any reasoning or any support for getting any certificate of that kind. What I feel is this, that we will be losing doubly : first of all, the capital which ought to be invested in India will not be invested in India, and in its place the public exchequer will be losing the income which ought to be derived from those gentlemen. In the second place, the loss in the shape of interest going outside India will be a big one. If these gentlemen had invested their money inside the country, then all this money in the shape of interest would have gone into their pockets and remained inside the country and India would have been much richer if they had seen their way to utilise their capital for the benefit of their country. Therefore, I do not see any reason for circulation of this Bill and I think all the requirements of the situation and all the defects in the Bill can be easily remedied in the Select Committee.

I quite see the point of my Honourable friend, Sir Hugh Cocke, that it will not be possible for him to go to Simla and sit on the Select Committee. I appreciate his difficulties, because when he gave his consent, he thought that the Select Committee would sit in Delhi during this session. If it is not possible for him to go to Simla, I think he could easily get some gentlemen of his group to sit and give sound advice on this matter. With a little reshuffling in the Select Committee, the very same object can be gained, and I think, if already my friend, Sir Hari Singh Gour, is not there in the Committee, he could be taken in the Committee with great advantage and he will give us all his legal help. But to say that this Bill should be circulated and this may die a natural death, will be losing a great amount of revenue which we want to find out at the present time when we find that there have been so many difficulties about the Finance Bill on account of the reduction in the revenue and India cannot afford to pay it as *baksheesh* to those people who seek to avoid and escape the super-tax and gain over this. I oppose this amendment for circulation and support the motion for Select Committee.

SIR COWASJI JEHANGIR (Bombay City : Non-Muhammadan Urban) : I rise, Sir, to support the motion before the House that this Bill be circulated. From the speech we have just heard, it is quite evident to me that the Honourable Member has not understood the full significance of the Bill. If it had been drafted and placed before us in a simple form to enable Government to tax all incomes of all people in India accruing outside India, it might easily have been sent to a Select Committee and made law without circulation for public opinion ; but it appears that Honourable Members do not seem to realise that the whole basis of liability for income-tax is changed under clause 4 of this Bill. When you

are changing the whole principle under which you have been collecting taxes for years, surely you desire to have public opinion as to how and in what way you should change the basis of taxation. Clause 4 of this Bill makes a radical change in the Income-tax Act. I agree with Mr. Biswas when he says that the Statement of Objects and Reasons of this Bill does not clearly place before us the inward significance of many of the clauses in the Bill. There is an important distinction made between residence and domicile. I do not desire to weary the House by making a long speech as to the distinction between the two ; nor do I desire to raise very controversial questions for more than one reason. Firstly, beyond mentioning it, it is not necessary to go into details, and secondly, the Round Table Conference is seized of this question, and what surprises me is that so important a constitutional issue should have been brought into this Bill when the position of the European community in India is under the serious consideration of both the Governments in England and in India. My Honourable friend who spoke last did not direct his mind to this aspect of the case. I would not be doing a service either to Government or to my friends on the European Benches if I went into details. This is not the time to settle this controversial issue. It can be done, if not in India, in England. I would be the last to do them unintentional injury, and I regret that Government should have included in this Bill issues of such importance, without having mentioned them in the Statement of Objects and Reasons.

Then there are very important clauses in this Bill—clauses 6, 7 and 8 relating to salaries—clauses with far-reaching effects. My reading of these clauses is that if I was in the position of employing a European, I could so manœuvre as to employ him at a lower rate of pay by getting him exempted from the income-tax. Did my Honourable friend realise that when he spoke about the simple nature of this Bill ? I wish he had read the Bill before he spoke. At any rate, clauses 6, 7 and 8 appear to me to be quite unnecessary for the object for which this Bill was introduced. Under those circumstances are we not justified in asking Government to straightaway agree to the circulation of this Bill ? I am not prepared to commit myself to the principles underlying this Bill at this stage, and that is why I also object to this Bill going to a Select Committee. I understand that Government are not in a position to give us the assurance that the House is not bound down to every principle enunciated in this Bill, even if they desire to do so before they send it to the Select Committee. If that be the constitutional position in this House,—I was not aware of it ; we may have been wrong in the Provincial Legislatures, when we did such things. I am not here to discuss the constitutional point as to whether committing a Bill to a Select Committee, even deprives the Government of the power of freeing the Members of this House from being committed to the principle of the Bill,—if it is not in the power of the Government to free Members from committing themselves to the principles of the Bill, then we cannot, I trust everybody will agree, allow this Bill to go to a Select Committee, and it must go for circulation. Besides that the position of all Englishmen in India is gravely affected by certain clauses in the Bill. It will be a question of deciding what is " residence " for Europeans. There has already been, I am informed by lawyers, any amount of litigation in England on this question. We shall have to go through all this litigation in this country if this Bill is passed in its present form, and that is not my own opinion. I may tell the House that it is the opinion I have received from one of the best known lawyers in India who sent it to me free and gratis. It is this opinion that has alarmed me to a very great extent. I do not desire to say more. I warn this Honourable House that if they do not send this Bill for circulation, they will be getting into a position which will be most dangerous for both Europeans and Indians.

THE HONOURABLE SIR GEORGE SCHUSTER (Finance Member) : Sir, my Honourable friend, who has just spoken with a good deal of emphasis, has in a sense been knocking at an open door, for I made it clear, when I first introduced this Bill, that we intended to be guided by the opinion of the House as to whether this Bill should be . . . . .

SIR COWASJI JEHANGIR : I was afraid that you might be guided by Mr. Yamin Khan's opinion. That was the only reason that made me rise to my feet ; otherwise, I had no desire to speak.

THE HONOURABLE SIR GEORGE SCHUSTER : I now fully understand my Honourable friend's emphasis. I ventured to suggest the other day a somewhat unusual procedure

which was that a Select Committee should be appointed now, and that the Bill should be circulated by executive order for opinion so that the Select Committee might be able to meet before the Simla Session, deal with the opinions that we should have received, and present the House with its Report at the beginning of the Session. But it has since been suggested that even that modified procedure, and even consenting to the appointment of a Select Committee on that understanding, would in a sense commit the House to the principle of the Bill, and I understand that it is felt, at least in certain quarters, that it would be better to follow the normal procedure, and that we should at once accept an ordinary motion for circulation. I have heard that opinion expressed by prominent Members on the front Bench of the Nationalist Party, of the Independent Party, and of the European Group, and therefore, in spite of my own very warm sympathy for the arguments used by my friend, Mr. Yamin Khan, I am afraid, in virtue of the pledges which I gave when I first introduced the Bill, I must take it that there has been an expression of opinion in this House from very influential quarters that the Bill ought to be circulated. In those circumstances, Sir, I on behalf of the Government have no hesitation in accepting the motion for circulation. (Applause.)

There is, however, just one thing which I would like to say, which to some extent meets my own objections to delaying this Bill, and that is, that if it should be passed into law at Simla and come into effect from the 1st April 1932, then we shall be entitled to recover income-tax on all foreign income which falls within the scope of the Act, on all foreign income accruing during the current year, because our basis of income-tax assessment is such that it refers back to the preceding year. Therefore, if there are any people,—not in this House, I hesitate to make any suggestion of that kind,—but if there are any people to whom my words could go abroad, I would warn them that if this Bill becomes law, their foreign income of this year will actually be liable to tax. Sir, with these words I repeat that I accept the motion for circulation.

MR. PRESIDENT: The question is :—

" That the Bill to amend the Indian Income-tax Act, 1922, for certain purposes. be circulated for the purpose of eliciting opinion thereon by the 31st July 1931."

The motion was adopted.

Letter No. 1581/155, *dated the 7th July* 1931, *from the Association to the Secretary to the Government of Bombay, Finance Department.*

Subject :—THE INDIAN INCOME-TAX ACT (SECOND AMENDMENT) BILL.

I am directed to acknowledge receipt of your letter No. 1988-F, dated the 5th May 1931, with the enclosures mentioned therein, and to thank you for having given my Committee an opportunity of expressing their views on the provisions of the Income-tax (Second Amendment) Bill, which was introduced in the Legislative Assembly on 27th March 1931.

One of the main objects of the Bill, according to the Statement of Objects and Reasons, is to remove the inducement for investment abroad which, it is stated, the present income-tax law offers. This principle is generally supported by my Committee as they fully realize the great desirability of mobilizing all available capital in India for investment in India. The Bill, however, goes far beyond the necessities of the case, and contains many objectionable features, and its adoption at the present juncture, when India is suffering from the effects of a severe world depression, would have disastrous consequences on India.

The general scheme of the existing Income-tax Act bases liability to tax thereunder upon the " source of income " and not on the " residence " of the taxpayer. Section 4 renders liable to tax every income " accruing or arising or received in British India." In England, the liability to tax depends on the " residence " of the taxpayer. It is now proposed to amend the Indian Act so that in addition to the existing liability, there should be another liability, namely, that based on " residence." Such a double liability, it is submitted, will be

an unwarranted burden, and the assessee will now be denied any relief which, if only one of the two systems prevailed, would be available. My Committee do not know of any other country in the world where the basis of liability is twofold. In England, a foreigner does not pay income-tax on Government of India's Sterling securities or the securities of any foreign Government, though the income accrues or arises in England. Similarly, in the United States, no tax is paid by a foreigner in respect of Dollar Bonds of foreign Governments though the principal and the interest are payable in the United States. In Australia, the liability is based only on the source of income and not on residence.

In England, if the trade of a person residing in the United Kingdom is carried on entirely outside the United Kingdom, he is taxable only in respect of that portion of his profits or gains which he receives in the United Kingdom. This rule is also applicable to income from foreign, Dominion or other possessions. The relief given to a British subject resident, but not ordinarily resident in the United Kingdom, is somewhat wider, but here in India, under the provisions of the proposed Section 4 (1) (*b*) of the Bill, he would be liable on his entire income wherever it accrued and whether it was received in British India or not. My Committee have given only a very few instances to show the hardship of a twofold basis of taxation. They are by no means exhaustive and it is believed that the proposed amendment is likely to affect assessees more than Government could have anticipated.

More than one reason must have influenced the Finance Member in bringing forward this Bill, but he states only one, i.e., the desirability of retaining capital in this country. Whatever the reason which influenced the Government of India in bringing forward this measure, the Bill, as at present framed, would prejudicially affect the larger interests of the country, for the reason that Indian international credit would always be better if there existed an inducement for Indians to invest their surplus funds in Government of India Sterling Stocks. If Government find it necessary to issue tax-free loans, which is in effect what happens when Sterling Stock is issued, it would be unfair to treat these stocks as though they were not tax-free if Indian owned.

Apart from the question of twofold taxation, my Committee consider that the provisions of the Bill are such that there will be considerable inequality of taxation and many loop-holes for evading the tax. For example, in the case of an Indian who is domiciled and resident in British India, he will be liable to tax on his income earned outside British India *even if such income was not brought into British India.* In the case of a person residing in British India *but not domiciled in British India,* if he does not bring the income earned outside British India into British India, he will not be liable on such income. This in effect will result in a direct discouragement to people acquiring a British Indian domicile, and an encouragement to renounce it, to those who have that domicile. So far as my Committee are aware, a considerable number of well-to-do assessees hail from the Indian States; they have always retained some connection with their place of origin, and they will now see the advantage of claiming their domicile of origin. In the case of such assessees, it will be difficult, if not impossible, to prove against their own assertion that they have acquired a different domicile, and they will be at a great advantage over others who cannot claim an outside domicile. There may, for example, be two well-established businesses in Bombay working in competition with each other; if the owner of one of these businesses or one of his forefathers came originally from Cutch or any other Indian State and he has not given up his domicile of origin—or says that he has not—the burden of taxation will be much lighter on him than on his rival. In practice, it will be found that a very large majority will escape assessment on this plea. For example, Cutch Memons from Kathiawar will be differently treated from Cutch Memons who have settled for generations in Bombay. The result of this differentiation would ultimately, in the opinion of my Committee, lead to a retention of capital in Indian States, which would otherwise be available for investment in British India.

Similarly foreign companies doing business in British India, if they are controlled from outside, will be at an advantage over companies doing similar business, which are registered in British India.

The Kathiawar ports are drawing more and more of the trade which formerly belonged to Bombay, and it has been stated that some of the States secretly remit the Customs duty or

a part of it, and thus draw the trade to their ports. If the present Bill is passed, my Committee are of the opinion that the Government of India would have helped the Indian States very materially in diverting trade and industry from British India to the States. After the Bill is passed, it would be a great advantage to have an Indian State domicile. This advantage would be considerably increased if residence were also transferred to an Indian State, and this can easily be achieved, for, under Section 4A (*b*), a Hindu undivided family, company, firm or other association of individuals is not deemed to be resident in British India if the central control and management of its affairs is situate wholly without British India. If the Bill is passed, it will result in a great many of the British Indian companies being wound up and restarted in Indian States.

The Bill appears to have been prepared in haste and overlooks, for instance, certain protective clauses which ought to appear in such a measure. For example, if a British Indian makes a profit of one lakh of rupees in his foreign trade, the whole of that will be liable to Indian income-tax and super-tax and *no reduction is admissible in respect of any income-tax he may have paid in the foreign country.* Under the Indian Act there is limited relief when the double tax consists of tax in British India and tax in the United Kingdom. Under the English Act the relief extends to all cases where Dominion income-tax has been paid, and the expression " Dominion " means " any British possession or any territory which is under His Majesty's protection or in respect of which a mandate is being exercised by the Government of any part of His Majesty's Dominions." It is submitted that if Government desire to proceed with the amendment, Section 49 should be amended so as to afford relief not only in respect of tax paid in the United Kingdom but also in the Dominions.

The object which the proposed amending Bill has in view is to protect Indian revenue, yet my Committee observe from a perusal of Clause 6 of the Bill that the provisions suggested therein would very likely have a contrary effect. At present all salary and all interest on securities *earned* in India are liable to be taxed. If the proposed amendment is accepted, it would result in exempting all salaries and interests *earned in British India but paid outside British India* from tax. For example, a Government officer may work in India and earn his salary in British India and arrange that it should be paid outside British India. In this event, his salary would be exempt from tax, and the proposed amendment would really fail to secure the object in view.

In the Statement of Objects and Reasons appended to the Bill, the proposed amendment as regards salaries and interests on securities is sought to be justified by Government. It is suggested that the machinery at present provided under Section 18 of the Act for the collection of tax under these two heads in advance by deduction at source *can only be enforced where the deducting agency is within British Indian jurisdiction, and can have no application to taxable salaries and interests paid abroad.* Government, therefore, propose in the amending Bill to restrict these two heads to " salaries paid in British India " and the " interest on securities paid in British India "—which is in effect their present scope—and further suggest that salaries and interests on securities paid abroad, which will now become taxable, will be included under " other sources." It must, however, be noted that the proposed Bill seeks to amend not only Chapter IV which deals with " deductions at source " but also Section VI which deals with " liability to assessment." It will thus always be arguable that if all that is liable under Section VI is " salary paid in British India," then a salary not so paid is not liable at all, and therefore, would not fall under " other sources." My Committee beg to point out that the deduction is at a certain percentage, and provided the source of payment is in British India, the deduction can be effected, no matter where it is actually paid. Further, " liability to pay the tax " and " deduction of the tax at source " are not the same thing, and even if there be some difficulty about deducting at source, the liability need not, for that reason, be extinguished altogether. No doubt, Section 18 (2) of the Act can only apply where the source of payment is in British India, but if the source is in British India, as long as liability to tax remains, the deduction may be made in British India, even if the actual payment is made outside British India. My Committee, therefore, suggest that if there be any practical difficulty in deducting at source, changes should be made in Chapter IV, not Chapter III, which defines taxable income.

If Government decide to proceed with the Bill, my Committee would urge that the anomalies pointed above should be removed, namely :—

(1) Relief ought to be given from double taxation in respect of persons who have already paid the tax in a foreign country, in respect of their income earned in such a foreign country ;

(2) The discrimination which is sought to be imposed as regards the liability to tax in respect of persons resident in India but not domiciled, and persons resident and domiciled in India, in connection with any part of their income earned outside British India, whether it is brought into British India or not, should be removed, and both should be treated alike ;

(3) That the loss of revenue which might result from exempting salaries earned in British India *but paid abroad* should be avoided.

Legislative Assembly, 9th September 1931.

INDIAN INCOME-TAX (SECOND AMENDMENT) BILL.

MR. H. P. MODY (Bombay Millowners' Association : Indian Commerce) : Mr. President, my Honourable friend the Finance Member at the end of his speech stated that he did not think that anybody looking at this Bill dispassionately could possibly think of opposing it. The Deputy President and Mr. Heathcote have given the answer and I join them in wholeheartedly opposing the motion for reference of this Bill to the Select Committee. I am surprised that the Government of India should have elected to go on with the Bill in face of the very vehement opposition, not of capitalists or professional politicians or lawyers, but of the very people on whom they invariably in the past have been apt to lean. I do not think there has been any single Government measure which has encountered such stout opposition from those who may be regarded as the colleagues of the Government of India in the administration of the country, namely, the Provincial Governments and the district officers who form the backbone of the administration, as this measure. In the past we have known the Government of India to be unresponsive to opinion in this House and outside. I think this is the first time the Government of India have shown themselves to be utterly unresponsive to the opinion of their own colleagues in the Provinces and of all those whom they have always regarded as infallible guides in matters of this description.

Before I come to the various objections which I have to the clauses of the Bill, there are three considerations of a general character which arise from this Bill on which I would like to dwell as briefly as possible. The Honourable the Finance Member both in the Statement of Objects and Reasons and in what he stated to the House this morning has tried to make out that this Bill is going to affect only a limited class of capitalists, only too anxious to take their investments out of this country, and therefore not entitled to the least sympathy at the hands of this House. I warn my Honourable friends on this side of the House not to be taken in by that plea. It is not merely the so-called limited capitalist class which makes investments in foreign bonds and in British securities that is going to be affected if this Bill becomes law, but there are thousands and thousands of small traders in various parts of India, not by any means confined to the Bombay Presidency, who have traded for generation upon generation with places outside British India long before the Income-tax Act was even thought of, who will suffer by this Bill. Their position is going to be affected very seriously. In the various papers which have been circulated to us, you will find a representation from the Chettiyar community of South India who claim that they have for over a century traded with the Straits Settlements, Malay Peninsula, Ceylon and various other places whose business is sorely afflicted as it is, and who will be penalised equally with the so-called capitalists. I ask my Honourable friends to disabuse their minds of any idea that this Bill is going to affect a small class supposed not always to be influenced by considerations of patriotism or public good.

The second consideration which arises from the Statement of Objects and Reasons is that the law is sought to be brought into line with that obtaining in England. I have got a

great deal to say about that argument. The House will remember that during the last Budget debate, I pointed out how the income-tax operated in England in favour of the small investor. I gave a list of various exemptions and I pointed out to the House that the small investor in England was a great deal better off than his counterpart in India. Then I raised the question of the carry forward of losses, which is admitted in England and other places, but which the Honourable the Finance Member has expressed his inability to admit in India because of financial considerations. My question is if you are going to follow the English law and hold it up as a model and as one of the main reasons for the enactment of this measure, why is it that you are selecting exactly what suits you and you are not following the English law in all essential respects ? I would draw the attention of my Honourable friends to an article in the *Statesman* of the 19th July. It says :—

> "If the Finance Member were to give the small income-tax payer all the concessions which are made to him in England, he would, thanks to joint families and large families, not to mention plurality of wives, get considerably less revenue. When the treasury would suffer unduly there is no attempt to follow the English model. Therefore the argument for the English model where the treasury stands to gain loses its force. The issue has to be considered on its merits."

That much, Sir, for the argument that it is sought to bring the Indian law into line with the English law on the subject. But I would like to point out that there are special reasons why the English law is what it is. England being immensely rich cannot find profitable employment for all its capital in the country itself, and from time immemorial, at least after the industrial age came into existence, its capital has found employment in all parts of the world, and has found it very profitable too. It is natural that England with such enormous capital all the time going out of the country for profitable employment in various parts of the world should think it necessary to tax it. Those conditions do not exist here. Therefore to hold up before us the model of the English law is, I think, entirely irrelevant. But there is another point, and it is this, that even the English law on the subject has not been followed in all respects. It is true that in England a man who is ordinarily resident, or what is the equivalent of domiciled, a man who is ordinarily resident pays generally on his income invested abroad, whether it is remitted to England or not. But a notable exception has been made, and it is that income from foreign possessions is exempted unless it is remitted to the country. Employment which is wholly outside the British Empire, trading which is wholly outside the British Empire, the profits accruing out of these, unless they are remitted to England are exempt from taxation. There is no such exemption in the measure which is placed before us. Let me read to you from the various opinions we have got on this particular aspect of the question. The Legal Remembrancer of the Punjab Government says :—

> " On the question of principle the application of a law found suitable to a highly industrialised country is of doubtful expediency to an almost entirely agricultural province like the Punjab."

And what applies to the Punjab in respect of its being an agricultural province can, I think, be more or less said to apply to the whole of India.

Now, Sir, the third argument and the strongest argument of the Finance Member is that it is necessary to prevent the flight of capital. I am surprised that the Finance Member should think that because investments up to now have not been taxed in places outside India, that is one of the principal reasons for capital going out of India. I will confront the Finance Member with the opinions found in practically every page of this file of opinions received from various Governments and officials. Everybody knows that the political and economic conditions of India have facilitated the flow of such capital as has actually gone out. I am afraid the inclination is to exaggerate the actual amount but even assuming that capital has gone out of this country on any very considerable scale, the reasons certainly are not that there is no income-tax on investments abroad, but because the political and economic conditions of India are not at present favourable for the investment of capital ; and I may say that considering the various handicaps which trade and industry in India have to put up with, handicaps not altogether arising out of the world-wide trade depression but peculiar to India,—I am not surprised that some part at least of the capital should go out from this country. My

Honourable friend the Deputy President read out an extract this morning on more or less the same point. I should like to read out something which I think is even stronger, and that is the opinion of the Commissioner of the Bhagalpur Division. He says, and I am afraid with a little acerbity,—

> "The most ignorant of us know perfectly well that the flow of money for investment outside India has very little to do with the income-tax but is mainly due to the lack of opportunity for profitable investment in the country and the shaken condition of India's credit."

Sir, I am not arguing as to whether it is only the ignorant who do not know this or whether people in exalted places do not know it. I am only concerned with this, that your own officials—not one or two but a score—and various Provincial Governments have stated deliberately that the reason why capital is going out of India is because of the disturbed economic and political conditions in India. And, after all, I regard it as a very questionable policy that even if capital is going out of India you should seek by a statutory handicap to keep it in this country. I can quite agree with Government that every possible effort should be made to mobilise all the available resources of the country for the development of the country's trade and industries, but that is something very different from seeking to impose a positive handicap by statute upon capital going out of the country. I think that all of us sympathise with the very legitimate object that capital as far as possible should be mobilised in the service of Indian trade and industry, but we cannot deal with the matter by a statutory provision such as the one before us.

My Honourable friend the Finance Member this morning stated that one of the reasons why textile mills were going out of British India and were locating themselves in Indian States was that there is no income-tax to pay. I hope I am not doing him any injustice when I state the position so badly ; but if he really did say this and no more, then I am afraid he does not know the facts of the case. It is notorious that mills, and for the matter of that other industrial concerns are going out of British India purely because labour conditions are much more favourable, labour is cheaper, taxation is much lighter, and what is more, the Government of India have never thought fit to impose on the Indian States all the obligations of labour conventions and conferences which have been imposed upon British India. I do not know, Sir, how far even the Factory Act is in operation in most places ; I do know of one or two places in the Indian States where a Factory Act more or less analogous to the Act in India does obtain. But I have reasons to say that so far as even factory legislation is concerned, the conditions in the Indian States are somewhat more primitive. If there are these conditions which make for profitable working can you wonder that those who are confronted with high labour costs, high taxation and all sorts of labour legislation in British India should seek fields far out, and should go to the territories of the Indian States ? I say, Sir, that the Finance Member was altogether wrong in suggesting that Income-tax has had any influence in inducing people to go out into the Indian States and plant industrial concerns there.

These are the three general considerations which have been urged before us, and I hope I have shown that there is not the slightest justification for entertaining any of them. I come now to the objections to the measure which I have, but before I deal with those I would just like to have one point made clear. My Honourable friend stated this morning that if there was a feeling in this House that the most controversial clause in the measure should be altered and that the principle of discrimination should be done away with, he was prepared to have that examined in the Select Committee. Well, Sir, so far so good. What I want to know, however, is how he is going to deal with salaries paid out of British India. As I understand the position,—and I shall ask my Honourable friend to correct me if I am wrong,—at the present moment salaries paid out of British India are not subject to tax either in England or in India in most cases. As the Bill stands, it is intended that so far as persons who are domiciled in this country are concerned, their salaries even if they were paid outside British India will be taxed. May I know from my Honourable friend if that statement is correct ? I take it that it is correct and so I will go on with my argument.

THE HONOURABLE SIR GEORGE SCHUSTER : My Honourable friend must not take my silence as signifying assent to his proposition. But I would suggest that points of this

kind are points to be taken in Select Committee and not on this motion when I am simply asking the House to accept a reference of this Bill to Select Committee.

MR. H. P. MODY: I am thankful to my Honourable friend even though he suggested that his silence was not to be construed as an assent. I shall construe it as I like, and I hope he will forgive me for doing so. But I am grateful for his explanation, and what I want to say is this, that these are various matters of importance and on them depends very much whether we are going to accord our sanction even to the principle of the Bill. And I want to know whether if my reading of the Act is correct, he is going to do away with the principle of discrimination even in this particular; because if he is not going to do so but is only going to deal with section 4, then I am afraid that it will become a matter of principle with some of my friends who at present seem inclined to send the Bill to the Select Committee. Considering that my Honourable friend is not disposed to be very communicative, I shall not pause for an answer.

I will now come to the actual objections to the Bill, and I hope the Finance Member will not think that these are matters which should be threshed out in Select Committee. For one thing I am not on the Select Committee, and therefore I shall not have an opportunity of making such points as occur to me, and I am entitled, therefore, in fairness to myself at any rate to make those points here.

AN HONOURABLE MEMBER: We can add your name.

MR. H. P. MODY: That is not wanted really. Coming to the objections to the Bill, my first point is that the measure will lead to a lot of evasion. It may be a small point in some people's eyes; to my way of thinking it is a serious matter. Every one knows that the present number of assessees to income-tax in the whole of British India is something which is ridiculously low. I feel that there are a great many people, perfectly honest, perfectly honourable, who regard it almost as a sort of religious duty to dodge the income-tax and to cheat the Government out of their exactions. I do not think it is thinking ill of humanity to suggest that there are many honourable men who do not scruple for one moment to try and get out of the clutches of the income-tax collector. If Government want more revenue, they ought surely to go to the people who are dodging them; they ought to tighten up their control; they ought to strengthen the agencies they have for ferreting out the people whose income ought to be taxed rather than come forward with proposals for fresh and fresh exactions on the very classes who are bearing the burden now. The position is that those people who are evading income-tax will continue to evade it, and to their list will be added a fresh number of people who are paying up now but who in view of the very exacting nature of the provisions which are sought to be translated into law will not disclose their foreign income, and there will be no means of checking it at all. In this connection I would like to refer to the opinion of another Commissioner of a Division who says:—

> "All he can hope to do is to find out what income is received in the country. If this is the case it must be admitted that the provisions of the Bill are quite unorthodox from a legislative point of view as well as entirely impractical as no adequate means can exist for enforcing them. All that could be hoped if the Bill were passed would be that the conscientious would pay and the unscrupulous would not."

I leave it to the Government of India to say whether they actually suggest that the conscientious should go on paying, cheerfully submitting to the burdens which are being imposed upon them, year after year, and sometimes twice in the year, as is the case with this year, and the unscrupulous should go on escaping these burdens.

I come now to what I think is one of the principal objections to the Bill, and that is on the score of double taxation. In England where a person ordinarily resident cannot hope to escape paying income-tax, whether his investments are outside the country or not, he has this consolation that there are reciprocal arrangements with various countries which enable him to be saved from the imposition of double taxation. These reciprocal arrangements do not obtain in India, and I think, as has been stated in some opinion which I cannot lay my hands upon just now, the first step should have been to ascertain what countries were prepared

to reciprocate with India in this matter before putting on what will undoubtedly be a source of double taxation for a great number of years to come ; and I do not think it can be suggested that double taxation is a thing to which anybody can be asked cheerfully to assent.

But there is another point which has not been brought out and which possibly may not be brought out, for the simple reason that it is not in the materials that are before the House, and it is that if this Bill becomes law, Indian insurance companies will be hit in such a way as will seriously cripple them. The Indian Insurance Companies Association has submitted to the Government of India a very well argued memorandum showing how the measure is calculated to hit them. I think it is a matter of common knowledge that insurance business has got to be international in character. It cannot be circumscribed within the country itself and insurance risks have got to be spread out everywhere. The Indian Insurance Companies state that actually 60 per cent. of their revenue is derived from this re-insurance in foreign countries. What happens is this : they have re-insurances in United States, in Canada, in France, in Germany, in England and various other places. Insurance companies here which re-insure with foreign companies have got, by the laws of foreign countries, to place very large deposits there, either in the shape of securities of those countries or in the shape of deposits. What will be the position then ? First of all, the Indian Insurance Companies will have to pay tax on such securities in foreign countries which they are bound to keep under the laws of those foreign countries ; and they will also have to pay a tax here. Then again their profits accruing in those foreign countries will have to pay tax under the laws of those countries, and they will again have to pay tax here under the present measure. Therefore, the Insurance Companies are justified in stating—and I do not think there is any exaggeration—that the Bill will pretty well kill all their enterprise and activity ; and I want to ask the Government of India whether they seriously suggest that the Indian Insurance Companies should be allowed to be hit, when it should be the duty of everybody to foster what is undoubtedly to be regarded as a national industry.

Then, think of the handicap to trade and industry. My Honourable friend is continually suggesting that it is only the capitalist class, sending out their investments abroad and earning interest who are sought to be taxed; why does he ignore or make light of this circumstance that there are thousands of people trading with Zanzibar, South Africa, East Africa, the Persian Gulf, the Straits Settlements, the Malay Peninsula, Ceylon and places all over the world, who, if this measure is to become law, will have to bear a double burden of taxation. The Finance Member is not right in laying so much stress on investments outside. The case of these traders has got to be considered as even stronger than that of people who are merely sending out their money for investment in securities.

There is another point and that is with regard to the investments of Indians in sterling securities. I do not know whether the object of the Finance Member is to discourage such investments. I think I am right in stating that a considerable portion of the money obtained for sterling securities recently has been obtained from the coffers of the people of India. These sterling securities have escaped taxation hitherto. You now propose to tax them. May I take it that it is your object to discourage investment in sterling securities which not only for the purpose of ordinary borrowing but for purposes of exchange operations you will have to float from time to time ? If you will allow me a little personal note, I may say that I am on the board of a bank which was perhaps the largest subscriber to the last sterling loan of the Government of India. I am also on the board of a shipping company which has got very large investments in sterling securities. Is it intended that these and various other concerns similarly placed should go in for other kinds of investments ? Does the Finance Member desire that sterling securities should no more be supported by the people of this country, because so far as I can see I cannot imagine anybody investing in sterling securities if he finds that the one advantage which there was before, namely, escaping income-tax, was going to be no longer there ?

Then there are two or three small points : one of them is in connection with the difficulty which Government will experience in determining what is domicile and what is residence. They will have to determine that for various purposes. I do not know whether these questions which have troubled many countries are also going to trouble the Government of India, and whether the Government of India are going to undertake the expense and labour of determining such problems.

There is another very serious objection, namely, that we shall make it now possible for people to acquire domicile in Indian States, and outside British India in other parts of the world. It is common knowledge that many traders, in the Bombay Presidency at any rate, come from Indian States—Jamnagar, Cutch and various other places ; they have lands there ; they have businesses there ; they have their families there and houses, and it will be easy for them to claim a domicile in those Indian States. It will be the easiest thing in the world to say that they are the domiciled residents of these Indian States. What will happen ? Will you be keeping the wealth of British India in British India, or will you be driving it to the Indian States ? Let me read the opinion of the Commissioner, Central Division, Bombay Presidency :—

> " It would be equally impossible to find out what was the income in foreign territory of this kind and if there were any serious attempt to enforce the provisions of the Bill, it is probable that large numbers of the income-tax paying classes would establish their residences in such foreign territory and the result would be the exact opposite of that sought, viz., it would drive capital out of British India rather than prevent that movement."

Then, Sir, the Honourable the Finance Member made light of the argument that was advanced by certain people that the State was doing nothing to protect or foster the trade and enterprise outside British India on which it is seeking to impose this tax, and he said that that argument was not worth consideration. I think that argument is very well worth consideration, not because it comes from me—of course I cannot hope that the Honourable the Finance Member will regard it seriously if it came from me or any other member, but he will certainly regard it with respect if it came from no less an authority than that of the Madras Government. The Madras Government say that they had received various opinions and they had classified them. One of them was " that the taxing in India of income earned abroad without any assistance from the Government of India is unjust. The analogy with the English system is unsound, in that the Government of the United Kingdom contribute towards the protection of British trade the whole world over, and render political, commercial and financial assistance to such trade." And the Madras Government go on to say—" The Madras Government consider that there is much force in these criticisms, and endorse them for the consideration of the Government of India."

Well, Sir, I have dealt with some of the objections. I could multiply them, but I shall not weary the House. All that I want to add is that there are various loopholes provided in this Bill, loopholes which have been referred to by the Commissioner of Income-tax in Burma in a very able minute on the whole Bill where he talks of certain taxes from income which are now derived by the Burma Government and which under this Bill will no longer be available. There is also the question of professional fees earned outside British India, which may escape taxation, but it is not my purpose to take up every single point. All that I would like to say is that in view of the fact there is no analogy between the English law and the Indian law, that no reasons have been shown why when the English law has not been followed in various other particulars it should be followed in this particular, that the flight of capital has got very little to do with the question of income-tax, and that this Bill will affect not merely a small number of bloated capitalists but also a very large class of genuine traders in a small way of business ; in view of all these circumstances, Mr. President, I feel that the Government have made out no case whatsoever for sending this Bill to the Select Committee.

I shall wind up, not by reiterating any opinion of my own, but an opinion which I think may be regarded as fairly authoritative, namely the opinion of the Commissioner of Income-tax, Burma. He says :—

> " On the whole I am inclined to think that the Bill should be dropped because the change to a residence basis is unlikely owing to evasion to produce results worth the trouble. Increased hostility to this Department and consequent friction will be the first result of the change and under these conditions a Department is not likely to function with success. We shall also unfortunately be antagonising the very assessees on whom we can now depend for honest returns. And while the unscrupulous escape, the honest

assessee who very often is the poor assessee will have claims for double income-tax relief which will cause more work than perhaps the revenue involved will justify. On the whole therefore as I see no great prospect of increased revenue, I am not in favour of the Bill."

Sir, I must apologise to the House for detaining it for over half an hour, which is rather unusual with me, but in view of the fact that I may not have another opportunity of placing my views before the House, I thought it necessary to express at some length the very strong objections I feel, objections which I happen to know are entertained by a large body of commercial opinion throughout the country. Sir, I stoutly oppose the motion to refer the Bill to the Select Committee.

APPENDIX 21.

SUPER-TAX ON INVESTMENT COMPANIES.

Letter C. No. 1207-I.T./25, dated the 25th May 1931, from the Secretary, Central Board of Revenue, Simla, to all Chambers of Commerce, etc.

Subject :—SUPER-TAX (COMPANIES)—INVESTMENT AND FINANCE COMPANIES AND TRUSTS—INCOME FROM DIVIDENDS—EXEMPTION OF, FROM "DOUBLE" COMPANY SUPER-TAX.

I am directed to say that the Government of India have for some time past been giving their consideration to the question whether investment companies should be relieved from paying company super-tax on so much of their income as is derived from dividends paid by another company out of profits which have already become liable to company super-tax.

2. The following resolution was passed at the meeting of the Associated Chambers of Commerce of India and Ceylon held on the 17th and 18th December 1928 :—

> "That this Association recommends to Government that, if the imposition of super-tax on companies in India is to be continued, effect should be given to the recommendations of the Taxation Enquiry Committee, that dividends received by holding companies from companies, which have already been assessed to super-tax, should not again be assessed to super-tax in the hands of the holding companies."

In the course of the discussion on this motion the Hon'ble the Finance Member stated certain difficulties in the way of the acceptance of the resolution as worded, but expressed his agreement with the view that it would be a great benefit to all concerned if the formation of genuine trust companies in India could be encouraged.

3. The Government of India have now had prepared a draft of a notification which is designed to grant the desired exemption in favour of genuine investment trusts of the kind to which the Hon'ble Finance Member referred. An attempt has been made so to word the draft that, while exempting those organizations that serve a public purpose in that they encourage the small investor to add his funds to the capital resources of the country by affording him good management and the security resulting from the spreading of risks, the concession will not be extended to holding companies which are formed solely for the private convenience of owners of shares in companies. The reference here is not only to the "one-man concerns" which the Hon'ble the Finance Member mentioned in his speech, to which reference has already been made, but also to other holding companies which are formed merely for the business convenience of the owners of the original company or companies, or to principal companies which have, for similar reasons, formed subsidiary companies. I am directed to request that the Central Board of Revenue may be favoured with the opinion of your Association on the question whether the notification, as drafted, would achieve the object aimed at by the Government of India, without extending the benefit of the exemption to companies which, on the above statement, are not eligible for it.

NOTIFICATION.

In exercise of the powers conferred by section 60 of the Indian Income-tax Act, 1922 (XI of 1922), the Governor-General in Council is pleased to exempt from super-tax so much of the income of any Company as is derived from dividends paid by any other Company which has paid or will pay super-tax on the profits from which such dividends are distributed, if the Company receiving such dividends is a Company having for its principal business the making of investments in and regularly dealing in the shares or debentures of other Companies, or any other securities and is not a Company formed for the purpose, or otherwise transacting the business, of acquiring or exercising control over any other Company or group of Companies or enabling any other persons to exercise or acquire such control provided that this exemption shall not apply to any Company more than 50 per cent. of the assets of which consist of shares in or debentures of any other Company, or which holds more than 50 per cent. of the shares or debentures of any other Company.

Letter No. 1844/200, *dated the* 29*th July* 1931, *from the Association to the Secretary, the Central Board of Revenue, Simla.*

Subject :—SUPER-TAX (COMPANIES)—INVESTMENT AND FINANCE COMPANIES AND TRUSTS—INCOME FROM DIVIDENDS—EXEMPTION OF, FROM "DOUBLE" COMPANY SUPER-TAX.

I am directed to acknowledge the receipt of your letter No. 1207-I.T./25, dated the 25th May 1931, requesting my Committee to express an opinion as to whether the proposed notification relieving certain companies and trusts from paying company super-tax on such of their income as is derived from dividends paid by another company out of profits which have already become liable to company super-tax, would achieve the object aimed at by the Government of India.

In this connection, it is very important to recall what the Finance Member said at the meeting of the Associated Chambers of Commerce in December 1929 :—

> "If there is a burden which is hampering genuine business then that is the sort of burden I should like to see removed. That is rather the test I would apply. Now, I think in the remarks I made last year, I made some reference to a desire to encourage the formation of genuine Trust and Investment Companies. If the existence of the double super-tax were hampering the formation of companies of that kind, which I think would be very beneficial to India, particularly, just now, I would like to see that burden or obstacle removed. What I am looking for now is some form of legislation or action which will enable us to remove the burden on genuine Trust and Investment Companies, but at the same time to preserve certain revenue, which I think is being collected now, without doing any intrinsic injustice and without doing any harm to the development of business."

This statement is important, and shows that Government themselves were anxious to encourage the formation of Investment Companies in India for the simple reason that if there were such companies with adequate capital, they could also materially help Government. They would also be in a position to underwrite Government loans, and by their large holding of gilt-edged securities, would be in a position to support the credit of Government. The main hindrance to the formation of such companies in India hitherto has been the double super-tax. Government have recognised this difficulty, and by the proposed exemption they intend to give relief.

My Committee have approached the question with an open mind, but their examination of the scope of the proposed notification yields only one result, namely, that the relief which one could expect, would fail to achieve the ends which the Hon'ble the Finance Member stated he had in view, and that, far from assisting in the development of trade and commerce of the country, it seeks to perpetuate the present practice, except in the case of investment companies which are formed solely to assist Government. There are many

legitimate businesses, apart from Investment Companies, which are seriously handicapped by this double super-tax, and which the proposed measure fails to relieve. My Committee will give an instance of a small company within their knowledge.

A company is doing business in motor cars and acts as agents for the sale of certain American cars. Under this company's agreement with the American manufacturers, it cannot in its own name act as the agent for any other manufacturers' cars. Recently, the manufacturers of an English car offered their agency to this company. It was not possible for the company to take up this agency, and it had to form a subsidiary company. Of course, all the share capital in the subsidiary company was subscribed by the principal company. As far as my Committee are aware, this is legitimate business, and in no sense can it be said that these two are companies that have been formed, to quote the words of the Hon'ble the Finance Member, " to hold certain shares, not for the purpose of doing business at all, but presumably for the purpose of providing machinery through which control can be exercised," and yet the principal company may have to pay two super-taxes. Clearly, in this case the double tax is unfair and retards development of business.

My Committee beg to point out that under modern conditions it is becoming more and more necessary to do business in the name of companies, and when such business is done, if there is to be any arrangement for sharing profits, union of interests, co-operation, joint adventure or reciprocal concession, it can only be achieved by means of floating other companies, or two companies exchanging shares, and to say that there shall be only one company and no subsidiary company or any other company affiliated to it is, in the opinion of my Committee, to impair its progress and activities. The injustice of the proposal will perhaps be better understood from the following example. There are two companies working in competition and they wish to avoid competition. These two companies may find it advantageous, if they wish to retain their existing identities, to form a separate company. If two individuals have a joint venture, they do not pay two super-taxes, but if, as in this instance, two companies float a third company to undertake a joint venture, they must pay two taxes.

If this interpretation is correct, my Committee would point out that companies must labour under great disadvantages as compared with individuals doing the same business. In England, companies do not pay super-tax and the same rule ought to apply here. In any event, the levying of two super-taxes on the same income is extremely unjust, and has greatly hampered commercial progress, and should, therefore, be removed in those cases at least where, in the words of the Hon'ble the Finance Member, genuine business is hampered. If Government desire to give relief from double tax in all legitimate cases, the notification ought to be worded differently ; for example, there should first be a general exemption from payment of double tax, and then exceptions should be set out. The Hon'ble the Finance Member has in his speeches stated what classes of companies he would not like to help : perhaps he had in mind companies and giant trusts which control hundreds of organisations, and these might be included in the list of exceptions to the general exemption.

APPENDIX 22.

REFUND OF INCOME-TAX PAID.

Letter No. 3152/248-*A, dated the* 24*th November* 1931, *from the Association to the Secretary, Central Board of Revenue, New Delhi.*

I have the honour to invite your attention to Section 18 (2) of the Indian Income-tax Act which provides that " any person responsible for paying any income chargeable under the head ' salaries ' shall, at the time of payment, deduct income-tax on the amount payable at the rate applicable to the estimated income of the assessee under this head." It has been represented to this Association that as the taxable minimum has now been reduced to Rs. 1,000 a year, the case of certain departmental heads of mills, such as Jobbers—and

certain other classes of pieceworkers whose incomes vary between Rs. 80 and Rs. 90 per mensem—needs special consideration. It has been stated that this class of wage-earners, of whom there are many in the Bombay mill industry, draw their salaries at so much per-centum on the earnings of the men working under them, or are paid on production recorded in their respective departments. Consequently, their wages are increased as production increases, or *vice versa*, and a man who drew Rs. 90 in the first month and paid tax thereon, need not necessarily draw the same amount in the succeeding month, and ultimately it may even be that at the end of the year the aggregate income in certain cases is less than the taxable minimum, whereas he has been paying tax on whatever amounts he has drawn. In this event, the question of refunding to the tax-payer the amount collected from him on his estimated income per year is very important. The law permits the employer to make adjustments for taxes not recovered or recovered in excess, but so far as I am aware, he is not empowered to refund taxes already collected if the aggregate annual income is below the taxable minimum. Probably, the only remedy open to the aggrieved party in such cases is to apply for a refund to the Income-tax Officer of the District. But this method of relief is, it has been stated, of doubtful utility, for the parties being in most cases illiterate or not aware of the technicalities of the law, more often fail to take advantage of the machinery provided thereunder. It is suggested, to overcome these difficulties, that in cases where the aggregate annual income falls below Rs. 1,000 per year, the employers might be empowered to make the necessary refund adjusting the amount in their first remittance after the completion of a year, such adjustments being always followed by a certified statement showing the total amount of salaries drawn by the parties in question and the tax collected from each.

I shall be glad if, on a consideration of these facts, Government will be pleased to issue appropriate instructions on the point.

Letter C. No. 792-I.T./31, dated the 21st December 1931, from the Officiating Secretary, Central Board of Revenue, New Delhi, to the Association.

Subject :—INDIAN INCOME-TAX ACT (XI OF 1922)—SECTION 18 (2)—TAX—DEDUCTION AT SOURCE—POWER TO EMPLOYERS TO REFUND TAX WHERE DUE. YOUR LETTER NO. 3152/248-A OF 1931, DATED 24TH NOVEMBER 1931.

In reply to your letter quoted above, I am directed to say that where for any reason an employer has deducted from an employee's salary in the course of a year tax in excess of the amount due thereon and it has not been possible to adjust the excess under the proviso to Section 18 (2) of the Indian Income-tax Act, the employer cannot make a refund to the employee and recoup himself in the manner suggested in your letter from deductions made in the following year before paying them into Government as required by law.

2. The manner in which a refund should be given in such cases is under consideration and instructions will be issued later and communicated to you.

APPENDIX 23.

ALLOWANCE FOR DEPRECIATION FOR WORKING DOUBLE SHIFTS.

Letter No. 1083, dated the 4th June 1931, from the Indian Merchants' Chamber to the Association.

In December last year, this Chamber had urged upon the Government of India the desirability of increasing the rate of depreciation allowed on machinery in textile mills, in view of the fact that many such mills were now working double shift. The depreciation

ordinarily allowed on machinery at present is 5 per cent., and they had suggested an amendment of Rule 8 of the Indian Income-tax Manual so as to base the depreciation allowance upon the average running hours of the financial year under assessment.

My Committee have now received a reply from the Government, copy of which is herewith sent. They, however, could not agree to the amazing views propounded in the Memorandum prepared by the Central Board of Revenue, that the running hours are "a very unimportant factor from the point of view of wear and tear compared with the age of the machine." Before they submit to Government their views on the question further, they felt that they should have before them the views of your Association in the matter. They would also like to enquire if it will be possible for you to make out a case, that running hours contribute materially to the deterioration of the machine. Please let me have the views of your Association on this question at your early convenience.

Copy of letter No. 954-T./29, dated 15th May 1931, from the Central Board of Revenue to the Indian Merchants' Chamber, Bombay :—

INDIAN INCOME-TAX ACT (XI of 1922)—RULES UNDER—RULE 8—DEPRECIATION ALLOWANCE—MACHINERY RUNNING DAY AND NIGHT.

Your letter No. 4047, *dated the 29th December* 1930.

In reply to your letter quoted above, I am directed to enclose a copy of a Memorandum prepared by the Central Board of Revenue on the above subject and submitted to the Government of India, who have approved of the Board's conclusions.

Copy of Memorandum prepared by the Central Board of Revenue.

INDIAN INCOME-TAX ACT (XI OF 1922)—RULES UNDER—RULE 8—DEPRECIATION ALLOWANCE—MACHINERY RUNNING DAY AND NIGHT.

In August 1930, Sir Alexander Tottenham, Member of the Central Board of Revenue, had an interview with representatives of the Punjab Chamber of Commerce on the subject mentioned above. The question was discussed in general terms and Sir Alexander Tottenham undertook to examine the matter in consultation with Commissioners of Income-tax. In December 1930, the Indian Merchants' Chamber raised the same question and suggested that double the Machinery rate of depreciation should be allowed for spinning and weaving mills that were working double-shift.

As a result of its enquiries, the Board finds many difficulties in the way of any proposal to make the rate of depreciation allowed on machinery and plant vary with the number of hours worked, either in the simple manner suggested by the Indian Merchants' Chamber or by some modification of that proposal. Authorities on the subject of depreciation are agreed that, while running hours cannot be altogether ignored they are, generally speaking, a very unimportant factor from the point of view of wear and tear compared with the age of the machine. In "Depreciation and Wasting Assets" by Leake, 4th Edition (Isaac Pitman & Sons), for example, the following passage occurs :—

> "Use, therefore, or the amount of work done by the plant is not generally the dominating depreciation factor. The only exception to this rule is when the plant is of such a nature that the amount of actual wear caused by work done will obviously be the dominating depreciation factor, as with steel rails, which if used enough, will wear out before they rust out.....It is astonishing how rarely the rate of destruction of value, due to actual use, overtakes the rate of destruction due to constant and inevitable decay and liability to obsolescence."

As a general proposition, it may be stated that, apart from renewals of small parts, bearings and the like, a machine which runs continuously for 24 hours will possibly last as long as a machine that runs only for 12 hours a day, in that the process of starting and stopping, with their attendant heating and cooling, expansion and contraction, are more responsible than anything else for the deterioration of the machine.

3. The Board has made some enquiries as to the practice in the United Kingdom and considers that the utmost weight should be attached to the practice of the authorities in that country in view of their vast experience. The result of the Board's enquiries shows that extra depreciation for overtime running is only allowed in a few very special cases, namely, match manufactories, presses that are used to print both morning and evening editions of a newspaper, and paper mills. For match manufactories, the extra allowance is 25 per cent. of the normal rate for the proportionate part of the year during which the machinery is worked both day and night, but the extra allowance does not apply to steam-raising plant. The extra allowance for printing presses is left to the discretion of the assessing officer and in any case is subject to proof that (*a*) the life of the plant has been substantially reduced, (*b*) the additional wear and tear has not been made good by extra expenditure on maintenance and renewals, and (*c*) that the actual hours of running are longer than would normally be the case if only one edition of the paper were printed. For paper mills, the normal depreciation is increased from 5 per cent. to 7½ per cent. where the mills are run day and night. It is particularly important to observe that no extra depreciation for overtime running has been allowed in the United Kingdom for the textile mills, although these are the mills in respect of which the concession has been asked for in India.

4. These are the objections, in principle, to the proposal, and it is perhaps not necessary to make an elaborate statement of the difficulties that would arise in practice, particularly in dealing with machinery that normally runs day and night, as, for instance, electrical power houses ; machinery that runs in only certain seasons of the year, e.g., cotton ginning machinery, and machinery that is worked for less than the normal working hours. It would clearly be very difficult to fix normal working hours for each industry and to verify the actual period during each year for which the machinery was worked at more or less than the normal number of hours per day.

5. For all these reasons, the Board is not prepared to recommend that any concession should be given for which a precedent cannot be found in the arrangements that are in force in the United Kingdom ; and this would limit the concession to three industries only, each of which would have to substantiate its case in detail if it desired to enjoy the concession.

6. In the course of the examination of this question, the Board has reconsidered the existing instructions regarding the interpretation of the term " current repairs " which is used in section 10 (2) (*v*) of the Indian Income-tax Act. On such reconsideration the Board holds that these instructions are appropriate to the case of buildings but are not sufficiently liberal where machinery and plant are concerned. It, therefore, proposes to issue fresh instructions similar to those which have been issued by the Income-tax authorities in the United Kingdom ; these instructions will provide that any replacement or renewal which is not so extensive as to destroy the identity of the machine should be charged to revenue instead of being treated as capital expenditure on which depreciation is to be calculated."

Letter No. 1684/167, *dated the* 16*th July* 1931, *from the Association to the Indian Merchants' Chamber, Bombay.*

I am in receipt of your letter No. 1083, dated the 5th June, which discusses a Memorandum prepared by the Central Board of Revenue, dealing with the allowance of depreciation for income-tax purposes on cotton mills working double shifts, and requesting the views of my Association in the matter.

The subject was considered by my Committee some six months ago, when it was resolved that no action be taken one way or another pending the receipt of the views of the Central Board of Revenue. Further consideration has led my Committee to the conclusion

that no useful purpose will be served by pressing the Income-tax authorities to grant an increased allowance for depreciation when double shifts are being worked. In arriving at this conclusion, my Committee have been influenced by the following considerations :—

In the first place, it would be difficult to make out a case for the allowance of double depreciation to one industry alone, and particularly an industry such as the Cotton Mill Industry which obtains no such concession of this nature in the United Kingdom. In the second place, the practical difficulties would be very considerable, for, as you are aware, double-shift working is, as a rule, spasmodic, and is, moreover, usually confined to certain portions of the plant. If, therefore, depreciation on a higher scale were allowed in accordance with the hours worked, the income-tax statements submitted by mills would become extremely complicated and difficult to check. Another point which must be considered is that besides the allowance for depreciation, adequate amounts for repairs are allowed out of revenue. Then again, one has to consider that the grant of additional depreciation when double shifts are worked would make out a case for reducing the allowance when shorter hours are worked, or when a strike occurs. If the Association supported the case for increasing the depreciation allowance merely for the reason that additional hours were being worked, Government might demand that for a shorter working day, the present depreciation allowance should be decreased.

For these reasons my Committee regret they do not feel justified in taking any further action in this matter.

APPENDIX 24.

INDIAN PARTNERSHIP BILL.

Letter No. 1534/108, *dated the* 1*st July* 1931, *from the Association to the Secretary to the Government of Bombay, Home Department, Bombay.*

I am directed to refer to your letter* No. 6796/2-II-B, dated 26th March, enclosing a copy of the Indian Partnership Bill for favour of the Association's views thereon for submission to the Government of India and to say that the Committee of the Association approve of the Bill generally, as it has emerged from the Special Committee, as being suitable to the development of modern business relations in India and provides, in their opinion, a body of clear and definite rules on various matters of partne ship law for which there is no provision made, at present, in Chapter XI of the Indian Contract Act.

In submitting their views on the draft Partnership Bill last year the Committee had stated, in regard to the proposal to make registration of firms optional, that though it was suitable to existing conditions, the possibilities of its being brought into line, in course of time, with the rule of law for the compulsory registration of firms, prevailing in England, might be considered. In view, however, of a fuller discussion of the pros and cons of optional as opposed to compulsory registration of firms, the Committee are now inclined to favour the proposal made in the Bill for optional registration, and to agree with the framers of the Bill that to make registration compulsory and impose a penalty for non-registration would be too drastic for a beginning in India. The disabilities which the Bill will impose on firms which do not elect to register are, in the opinion of the Committee, so framed as to offer substantial inducements to them to register. This will, it is believed, serve indirectly to secure the registration of many *bona fide* firms of standing and will thus enable the rights and liabilities of partners *inter se* and *vis-a-vis* third parties to be determined in accordance with settled rules of law.

* Not printed.

APPENDIX 25.

PROPOSED ECONOMIC ADVISORY ORGANIZATION IN INDIA.

Letter dated the 20th January 1931, from the Secretary to the Government of Bombay, Finance Department, to the Association.

I am directed to inform you that Sir Arthur Salter, in the course of his tour of India, will visit Bombay on the 28th to 30th of January. As I think your Association is aware, Sir Arthur Salter has been requested by the Government of India to give them the benefit of his special knowledge and experience of organisations existing abroad for the study of economic questions including both the continuous interpretation of current developments and the consideration of plans designed to achieve particular purposes and to advise them on organisation matters in relation to the associated position in India. His engagements in other parts of the world on behalf of the League of Nations necessitate his departure from Colombo on 15th of February, and he regrets that the time which he will be able to spend in India is thus relatively short. But he wishes, as far as the time at his disposal permits, to meet and have conversations with industrial and commercial bodies or their committees. I am therefore directed to invite your Association to be so good as to send a small committee to meet Sir Arthur Salter.

2. In order to faciliate his enquiries, Sir Arthur Salter is anxious to focus the conversations within a framework and for this purpose the range within which he would wish to confine himself is given below. This framework extends over a wide field and Sir Arthur Salter desires to make it clear that, while each of the features indicated in it may present itself in one country or another, no one country possesses an organisation so comprehensive as to include them all. The framework is not conceived as indicating what may be desirable or possible in this country but has been drawn up to set forth the boundaries within which Sir Arthur Salter desires to confine his conversations with those who may be good enough to assist him in the enquiries which it is necessary for him to make. This framework divides itself naturally under two main headings, (1) questions of the general purposes of the organisation contemplated and (2) questions of the type or types of actual organisations, etc., best suited to various purposes.

(1) *Questions of the general purposes of the proposed organisation.*

(*a*) The co-ordination of economic policy both inter-departmentally and between the Central Government and Provincial Governments.

(*b*) The improvement of the Statistical and Commercial Intelligence machinery for the purpose of following the current development of events and thought, both in India and abroad, and thus of affording a basis of statistical and other facts for the examination of current practical problems.

(*c*) Research into economic questions by experts, economists as well as persons with direct business and practical experience.

(*d*) The provision of machinery to enable different sections of the public and interests concerned to express their points of view as part of the basis of the examination of any particular problem referred.

(*e*) The provision of machinery to inform public opinion and particularly interests directly concerned of the different factors involved in the various problems and also to facilitate the interchange of information and experience between people of different qualifications and in different parts of India.

(2) *Questions of organisation, etc., which may arise from consideration of* (1).

(*a*) The constitution, including headquarters, times of meeting, etc., of any Central body.

(*i*) The expert and representative elements.

(*ii*) The Central and Provincial elements.

(*b*) The character of the permanent staff.

(*c*) Associated bodies in provinces and the form of their connection with the Central body.

(*d*) Powers, Procedure, Initiative, Publicity.

(*e*) The relation of the whole organisation to existing and contemplated Central and Provincial bodies and institutions, e.g., the Imperial Council of Agricultural Research, the Tariff Board, the Railway Rates Advisory Committee, the Indian Central Cotton Committee, the Central Jute Committee (when formed), and the Reserve Bank (when formed).

3. I have tentatively fixed 12 noon on Friday, 30th, for the meeting with Sir Arthur Salter in his room on the first floor of the Secretariat, and should be obliged if you will let me know if this time is convenient and the names of the gentlemen who will attend the interview.

Letter No. 169/39, *dated the* 22*nd January* 1931, *from the Association to the Secretary to the Government of Bombay, Finance Department.*

I am directed to acknowledge the receipt of your letter of the 20th January 1931 and to inform you that the matter will be considered at an urgent meeting of my Committee to be held on Monday, the 26th instant.

It is almost certain that my Committee will accept your kind invitation and depute a special Sub-Committee to interview Sir Arthur Salter at the time and date mentioned by you.

The names of the gentlemen who will attend the interview will be communicated to you on Monday afternoon.

APPENDIX 26.

PROPOSED ESTABLISHMENT OF A CITY CIVIL COURT IN BOMBAY.

Letter No. 1322/*III* (*A*), *dated the* 16*th June* 1931, *from the Secretary to the Government of Bombay, Home Department, to the Association.*

Subject :—CITY CIVIL COURT, BOMBAY—ESTABLISHMENT OF.

I am directed to state that the question of the establishment of a City Civil Court in Bombay is at present under the consideration of Government and it has been decided to elicit public opinion in the matter. I am accordingly to forward herewith a copy of a draft Bill for the establishment of a City Civil Court in Bombay together with the Statement of Objects and Reasons and to request that you will be so good as to move the Bombay Millowners' Association, Bombay, to favour Government with its views in the matter.

A Bill to establish an additional Civil Court for the City of Bombay.

Whereas it is expedient to establish an additional Civil Court for the City of Bombay; It is hereby enacted as follows :—

1. *Short title.*—This Act may be called the Bombay City Civil Court Act, 193 .

2. *Definitions.*—In this Act, unless there is something repugnant in the subject or context,—

(1) " City Court " means the Court established under the next following section;

(2) " City of Bombay " means the area within the local limits for the time being of the ordinary original civil jurisdiction of the High Court;

(3) " High Court " means the High Court of Judicature at Bombay; and

(4) " Small Cause Court " means the Court of Small Causes of Bombay.

3. *Constitution of the City Court.*—The local Government may, by notification in the official *Gazette*, establish a Court, to be called the Bombay City Civil Court, with jurisdiction to receive, try and dispose of all suits and other proceedings of a civil nature not exceeding five thousand rupees in value and arising within the City of Bombay, except suits or proceedings which are cognizable—

(*a*) by the High Court as a Court of Admiralty or Vice-Admiralty or as a Colonial Court of Admiralty, or as a Court having testamentary, intestate or matrimonial jurisdiction, or

(*b*) by the Court for the relief of insolvent debtors, or

(*c*) by the Small Cause Court.

4. *Institution in the City Court of certain suits cognizable by the Small Cause Court.*—Notwithstanding anything contained in the Presidency Small Cause Courts Act, 1882, or in this Act, all suits cognizable by the Small Cause Court whereof the amount or value of the subject-matter exceeds one thousand rupees may at the election of the plaintiff be instituted in the City Court, which shall have jurisdiction to try and dispose of such suits according to the provisions of this Act.

5. *Removal of suits instituted in the Small Cause Court to the High Court or to the City Court.*—(1) Notwithstanding anything contained in the Presidency Small Cause Courts Act, 1882, or in this Act, where an application is made to the High Court under sub-section (1) of section 39 of the Presidency Small Cause Courts Act, 1882, in any suit referred to therein, the High Court may either remove the suit to its own file or transfer the same to the City Court.

(2) Where a suit is ordered to be transferred as aforesaid to the City Court, the provisions of sub-sections (2), (3) and (4) of section 40 of the Presidency Small Cause Courts Act, 1882, shall, *mutatis mutandis* and subject to the pecuniary limits of the jurisdiction of the City Court, apply.

6. *City Court to be deemed under superintendence, etc., of High Court.*—The City Court shall be deemed to be a Court subject to the superintendence of the High Court within the meaning of the Letters Patent of the High Court and of the Code of Civil Procedure, and the High Court shall have in respect of the City Court the same powers as it has under the Government of India Act, Section 107, in respect of Courts subject to its appellate jurisdiction.

7. *Appointment, suspension and removal of Judges.*—(1) The Local Government may, by notification in the official *Gazette*, appoint so many persons as it may think fit to be Judges of the City Court: Provided that no person shall be appointed to be a Judge of such Court unless he is an advocate or pleader of a High Court of not less than five years' standing or a Judge of a Court of civil judicature of not less than five years' standing.

(2) The Local Government may, for any misconduct, by a like notification, suspend or remove any Judge so appointed.

8. *Judge of City Court to be Judge of Small Cause Court.*—(1) Every person appointed a Judge of the City Court shall be, by virtue of his office, a Judge of the Small Cause Court with respect to cases cognizable by that Court.

(2) Every such Judge shall be liable to perform any duties of a Judge of the Small Cause Court which the Chief Justice of the High Court may require him to perform.

9. *Powers of Judges when City Court consists of more than one Judge.*—When the City Court consists of more than one Judge—

(*a*) each of the Judges may exercise all or any of the powers conferred on the Court by this Act or any other law for the time being in force;

(*b*) the Local Government may appoint any one of the Judges to be the principal Judge; and

(*c*) the principal Judge may, from time to time, make such arrangements as he may think fit for the distribution of the business of the Court among the various Judges thereof.

10. *Appointment, power, duties and punishment of ministerial officers.*—(1) The Judge of the City Court, when the Court consists of more than one Judge, the principal Judge, may from time to time, with the sanction of the Local Government, appoint as many clerks, bailiffs and other ministerial officers as may be necessary for the administration of justice by the Court and for the exercise and performance of the powers and duties conferred and imposed on it by this Act or any other law for the time being in force.

(2) The officers so appointed shall exercise such powers and discharge such duties of a ministerial nature as the said Judge or principal Judge may from time to time direct.

(3) The said Judge or principal Judge may, subject to the control of the High Court,—

(*a*) suspend or remove any officer so appointed, or

(*b*) fine any such officer who is guilty of misconduct or neglect in the performance of the duties of his office.

(4) Any fine imposed on an officer under sub-section (3) may be deducted from his salary.

11. *Questions arising in suits, etc., under Act to be dealt with according to law administered by High Court.*—All questions which arise in suits or other proceedings under this Act in the City Court shall be dealt with and determined according to the law for the time being administered by the High Court in the exercise of its ordinary original civil jurisdiction.

12. *Process-fees.*—Fees chargeable for serving or executing processes issued by the City Court, or served or executed under its direction or control, shall be such as the High Court may prescribe with the approval of the Local Government.

13. *Amendment of Act XV of* 1882, *Section* 31.—In clause (*a*) of Section 31 of the Presidency Small Cause Courts Act, 1882, as amended by the Madras City Civil Court Act, 1892, for the words " or Bombay " the words " or the Bombay City Civil Court " shall be substituted.

14. *Repayment of half fees on settlement before hearing.*—Whenever any suit or proceeding in the City Court is settled by agreement of the parties before issues have been settled or any evidence recorded, half the amount of the institution fees paid by the plaintiff shall be repaid to him by the Court.

15. *Allowance for fees paid in City Court in cases removed to High Court.*—When under Section 13 of the Letters Patent for the High Court, dated the twenty-eighth day of December, 1865, or under Section 24 of the Code of Civil Procedure, the High Court has removed for trial by itself any suit from the City Court, fees on the scale for the time being in force in the High Court as a Court of ordinary original civil jurisdiction shall be payable in that Court in respect of the suit and proceedings therein ;

Provided that, in the levy of any such fees which, according to the practice of the Court, are credited to the Government, credit shall be given to the plaintiff in the suit for any fee which in the City Court he has already paid under the Court-fees Act, 1870, on the plaint.

16. *Appeals.*—(1) Appeals from the City Court shall lie to the High Court in accordance with the provisions of the Code of Civil Procedure.

(2) The period of limitation for an appeal from a decree or order of the City Court shall be the same as that provided by law for an appeal from a decree or order of the High Court in the exercise of its original jurisdiction, notwithstanding that the appeal lies to the High Court in the exercise of its appellate jurisdiction.

17. *Saving of original civil jurisdiction of High Court.*—Nothing contained in this Act shall affect the original civil jurisdiction of the High Court :

Provided that—

(1) if any suit or other proceeding is instituted in the High Court which, in the opinion of the Judge who tries the same (whose opinion shall be final) ought to have been instituted in the City Court, no costs shall be allowed to a successful plaintiff, and a successful defendant shall be allowed his costs as between attorney and client ;

(2) in any suit or other proceeding pending at any time in the High Court, any Judge of such Court may at any stage thereof make an order transferring the same to the City Court if in his opinion such suit or proceeding is within the jurisdiction of that Court and should be tried therein ;

(3) in any suit or other proceeding so transferred, the Court-fees Act, 1870, shall apply, credit being given for any fees levied in the High Court.

18. *Seal to be used.*—The City Court shall use a seal of such form and dimensions as may be for the time being prescribed by the Local Government.

19. *Holidays and vacations.*—(1) The Judge of the City Court, or when the Court consists of more than one Judge, the principal Judge, shall, at the commencement of each year, draw up a list of holidays and vacations to be observed in the Court, and shall submit the same for the approval of the Local Government.

(2) Such list, when it has received such approval, shall be published in the official *Gazette*, and the said holidays and vacations shall be observed accordingly.

STATEMENT OF OBJECTS AND REASONS.

The civil courts of original jurisdiction now in existence in Bombay City and Island are (1) the High Court and (2) the Small Cause Court.

Many classes of suits and other proceedings are excluded from the cognizance of the Small Cause Court as being unsuitable for disposal by a court of summary procedure. But many suits of the classes so excluded are comparatively petty, and their trial by a court of the calibre of the High Court involves not only a waste of judicial power but a practical denial of justice to would-be suitors who are unable to bear the relatively high cost of legal assistance in that court.

This Act enables the Local Government to create a new court, to be called the Bombay City Civil Court, for the disposal by regular (i.e., non-summary) procedure of suits and proceedings arising in the City and Island of Bombay, the subject-matter of which does not exceed Rs. 5,000 in value. It is not proposed to abrogate the jurisdiction vested in the High Court with regard to such cases; but if a suit cognizable by the City Court is unnecessarily instituted in the High Court the plaintiff will be debarred from recovering costs from the defendant, while, if suit fails, he will have to pay costs to the defendant on the most liberal scale (Clause 17). Moreover, the High Court is given power by the Act to transfer such a suit at any stage from itself to the City Civil Court (Clause 17).

In matters of procedure and organization the Madras City Civil Court Act, which has been followed, itself follows in many respects the Presidency Small Cause Courts Act, 1882 (XV of 1882).

An appeal from such decisions of the City Court as are by law appealable will lie to the High Court (Clause 15).

The Act is a close copy of the Madras City Civil Court Act, 1892, which was passed for a similar purpose, and embodies also the amendments added by Madras Act V of 1916.

Clause 3 confers jurisdiction on the new court to the extent above mentioned, subject to certain special reservations.

Clauses 4 *and* 5 enable suits of a class cognizable by the Small Causes Court the subject-matter of which exceeds one thousand rupees in value, but does not exceed two thousand rupees (that being the limit of the Small Causes Court's jurisdiction), to be tried under certain circumstances in the City Civil Court instead of in the High Court, where they can be tried under the present law (*vide* Sections 21 and 39 of the Presidency Small Cause Courts Act, 1882). It may be noted that suits between two thousand rupees and five thousand rupees, whether of a class triable by the Small Cause Court or not, will under Clause 3 be triable by the City Civil Court.

Clause 6 provides for superintendence over the City Civil Court by the High Court.

Clauses 7 *and* 9 deal with the appointment, duties and powers of Judges of the Court. Clause 8 provides that every Judge of the Court shall also be *ex-officio* a Judge of the Small Cause Court. This will enable relief to be given to the Small Cause Court by the Judges of the City Court if and when their time is not fully occupied by the City Court work, or if occasion arises in the course of their work.

Clause 13 provides for the execution of decrees of the Small Cause Court by the City Court instead of by the High Court, as at present.

The provisions of Sections 9 and 11 of the Madras City Civil Court Act have not been embodied in this Bill.

(1) Section 9, dealing with the valuation of immoveable property in suit for purposes of determining the jurisdiction of the Court, is a repetition of the provisions of Section 14

of the Madras Civil Courts Act, 1873, which governed the matter in the Madras mofussil courts. There is no such provision in force in the Bombay mofussil courts, and the section has therefore been omitted.

(2) Section 11, dealing with the power to appoint Receivers, has been rendered unnecessary by the omission of the provisions of Section 505 of the Code of Civil Procedure, 1882, from the Code of Civil Procedure, 1908 (*vide* Order XL).

Letter No. 1748/30, *dated the* 20*th July* 1931, *from the Association to the Secretary to the Government of Bombay, Home Department, Bombay.*

Subject :—ESTABLISHMENT OF A CITY CIVIL COURT.

I am directed to refer to your letter No. 1322/III (A), dated 16th June 1931, forwarding a copy of a draft Bill for the establishment of a City Civil Court in Bombay and requesting the Association to favour Government with its views in the matter.

My Committee have carefully considered the proposal and desire me to say that they are opposed to the introduction of the Bill on the ground that it would be both uneconomical and inexpedient at the present time.

The creation of a new civil court with original jurisdiction will not, it is submitted, make the administration of justice either cheaper or more expeditious—which are the great desiderata—for the small trader and businessman in Bombay.

It is probable that the present congestion of work in the High Court may, to some extent, be relieved by the transference to the Civil Court of those classes of suits which being excluded from the cognizance of the Small Causes Court, are triable at present only by the High Court. The advantage to be gained will, however, be small and more than offset by the higher costs of litigation in the Civil Court with its scale of fees for the institution of suits fixed on an *ad valorem* basis compared with the lump costs allowed by the High Court for such classes of suits. An illustration will serve to make the point clear. An *ex-parte* summary suit for any amount can be filed in the High Court to-day for lump costs amounting to Rs. 200 only. Costs in an *ex-parte* short cause would be about Rs. 350. Whereas similar suits for Rs. 5,000—which is the limit of the monetary jurisdiction of the Civil Court—will have to pay Rs. 375 as court fees alone, excluding counsel's and solicitors' fees and other incidental expenses which calculated even on the most conservative basis, would bring the total costs up to well over Rs. 650.

Apart from the question of costs, the right to carry appeals from the Civil Court to the High Court will not, the Committee think, conduce to the early disposal of suits small in value and involving no important principle of law or practice.

The Committee feel that the proposal for a new Civil Court could not have been made at a more inopportune time than the present. The severe strain on Government finances and the acute trade depression, unparalleled in recent years, through which the city is passing, would appear to make the creation of a new court with its expensive machinery and establishment charges entirely unnecessary and unjustified. My Committee are not a little surprised to see that Government should have come forward with the proposal, in view of these circumstances, especially when only a few short months ago, His Excellency Sir Ernest Hotson (then Home Member), speaking on the proposal in the Legislative Council, stated, "It must be remembered that for the first few years, instead of resulting in an economy, such a civil court would be a source of extra expenditure. For the first year or two, at all events, we could not reduce the number of High Court Judges and we should have to bear the cost of the Civil Court in addition. However desirable that Civil Court may be, I think this House will agree that the present financial position of the Presidency is not such as to justify its immediate creation."

While the Committee of the Association are entirely opposed to the proposal embodied in the Bill, now circulated for opinion, they would like to suggest for the consideration of Government an alternative which offers, in their opinion, a way out of the difficulty. It is felt that the remedy lies not so much in the multiplication of law courts as in the simplification of procedure and a revision of the scale of fees in civil suits. The Committee believe that the object which Government have at heart could be achieved by an amendment of the Presidency Small Causes Court Act, by extending the jurisdiction of that Court, in money suits, to Rs. 5,000 and enabling it to take cognizance of certain classes of suits and other proceedings which are, at present, excluded from its purview. This would considerably facilitate the speedy disposal of a large number of petty suits at a relatively much smaller cost to parties who would otherwise be compelled to have recourse to the proposed Civil Court.

APPENDIX 27.

RULES FOR THE CERTIFICATION OF AUDITORS.

Letter No. 2861/245, dated the 17th October 1931, from the Association to the Secretary to the Government of India, Commerce Department, Simla.

Subject :—AUDITORS' CERTIFICATE RULES.

I am directed by my Committee to invite reference to Government Notification No. 213 (3)-T. and E. (A.B.), dated the 5th September 1931, on the above subject, and to submit the following statement for the consideration of Government.

Under clause 47 in Part III of the Draft Rules, it is proposed to empower the Governor-General in Council to appoint an Accountancy Board. My Committee consider that, as a first step towards the building of an autonomous Association of Accountants, it is desirable that the Executive of such a body should be constituted on an electoral principle. The adoption of this suggestion may be somewhat difficult till such time as some practical experience has been gained in regard to the working of the Board, but there appears to be no reason why it should be permanently withheld, as it appears to be in the Draft Rules. What my Committee would, therefore, like to suggest is that after the lapse of two or three years, a certain number of seats on the Board should be filled in by election, and the number elected should be increased gradually as the Board attains more experience of the administrative functions allotted to it.

Another point which my Committee would like to submit for consideration of Government is that the proposed Board might be fully representative of all sections of the profession. What they have in view is that the Board may be utilised in a consultative capacity by the Government of India, in addition to the various functions allotted to it under the Draft Rules, in connection with the various matters relating to economic questions generally. In this event, the utility of the Board could be gradually enhanced if there were on the Board accountants who specialise in statistics, works' costing, etc.

APPENDIX 28.

RECOVERY OF MONEY IN SATISFACTION OF DECREES.

Letter dated the 17th September 1931, from Messrs. Pandia & Co., Solicitors, to the Association.

REFERENCE No. 1675/190/15-7-1931.—RECOVERY OF MONEY IN SATISFACTION OF DECREES.

We have the pleasure to send herewith the draft of the petition which it is proposed to submit to the Honourable the Chief Justice and Judges of the High Court on the above

subject. A copy of the draft petition is being sent to each of the other associations which have expressed their desire to join in the petition.

We shall feel obliged by your informing us at your earliest convenience, whether the Millowners' Association is willing to support the petition.

As to any further suggestions that may be received, we beg to appoint a meeting of the representatives of all the said associations at our office, at 5-30 p.m. (S.T.) on Monday the 28th instant, to finally approve the draft petition, so as to enable the petition to be forwarded to Their Lordships before the 1st proximo. We trust the appointment will suit you.

The Humble Petition of Messrs. Pandia & Co., Attorneys-at-Law, to the Honourable the Chief Justice and Judges of the High Court of Judicature at Bombay.

RESPECTFULLY SHEWETH,

1. Your petitioners have been approached by a large number of their clients who belong to the mercantile class to make the following submissions in reference to the desirability of making better provision for the speedy realisation of money decrees obtained by suitors in the High Court.

2. The procedural law at present is somewhat inadequate to assist a money decree-holder to realise the amount of the decree from the property of the judgment debtor. After a decree is passed, some time is necessarily taken up in drawing up and sealing the decree. Time and trouble are further involved in finding out the property of the debtor, whether movable or immovable. As the application for attachment of immovable property is required to contain full particulars of the property to be attached, the decree-holder has in the case of immovable property, to search the records of the Sub-Registrar and the Municipality at his own costs, before he can apply in execution. After the application for execution is presented, some time necessarily elapses before the warrant of attachment and its official translation are ready. While the judgment creditor is thus engaged in eliciting information about the debtor's property and applying for attachment, the debtor is free to proceed as he likes. The time that elapses, according to the present practice, between the passing of a decree and the actual levying of execution is considerable and it gives an opportunity to the debtor, if so minded, to make away with or abolish all trace of his assets and cover up his dealings, so that when the judgment creditor is ready with his process in execution, the property to be attached has either disappeared or been so dealt with as to be out of his reach. All the expense incurred so far, is thus wasted and the decree is successfully flouted by the debtor.

3. The provisions of O. 21, R. 41 of the Civil Procedure Code, have, your petitioners submit, failed, for several reasons, to achieve their object. An inquiry in the record of the High Court (O.S.) will show that the said provisions are, in practice, very rarely availed of by practitioners and have practically remained a dead letter. The percentage of orders obtained under R. 21, O. 41 is insignificant compared to the executions applied for. Nor is this the solitary experience of Bombay. A reference to Belchambers' Edition of the Rules of the Calcutta High Court (O.S.), p. 269, will show that there too, applications under O.21, R.41 have been rare. A careful search resulted in the discovery of three cases only under the said rule. Some of the reasons for this undoubted circumstance are, that the rule has been placed among a number of rules dealing with " Attachment of Property " while the rule has nothing whatever to do with attachment. As a matter of fact, the main head " Attachment of Property " appears directly on the top of this rule. The proceedings under Rule 41 would ordinarily *precede* execution proceedings, as the rule is meant to guide the decree-holder as to the nature of the proceedings in execution which he may adopt for the speedy recovery of his dues. Another reason why the said procedure has not been availed of is that the scope of the rule is not understood, owing to the general terms thereof. The rule requires, in order that it may prove useful, to be elaborated and amplified, and illustrated by suitable Forms.

4. Further, the said Rule 41 does not permit a decree-holder to avail himself of it, until the decree is sealed—a disability and a delay that, not seldom, entail disastrous conse-

quences to the decree-holder as to realising the decree. The word " decree-holder " is strictly construed by the court as a person holding a decree, drawn up, sealed and issued by the court, as in the case of Rule 304 of the High Court Rules.

5. Under the circumstances, your petitioners have drafted a set of rules (for being inserted in the Rules of the High Court (O.S.)), with the assistance derived from relevant Rules of the Supreme Court and the provisions of the Presidency Towns Insolvency Act, which they venture to submit to Their Lordships, for consideration. Hereto annexed and marked " A " is a copy of the said draft rules.

6. Your petitioners have, before approaching Their Lordships, submitted the said rules to the Chamber of Commerce and other leading Associations in Bombay with the view to elicit their opinion thereon. The Chamber of Commerce and the Associations took time to consider the matter. The Chamber of Commerce had, at first, some doubts as to the desirability of retaining draft Rule 3. Your petitioners, however, explained to the Chamber that :—

(*a*) the words " or other person " already appear in Order 21, Rule 41.

(*b*) A provision similar to the proposed Rule 3 appears as S. 36 in the Presidency Towns Insolvency Act. An Order under S. 36, also, is obtained *ex parte*. The affidavit of the decree-holder in support of the application would have to satisfy the Judge that the examination of any " other person " is desirable.

(*c*) Any abuse by a decree-holder of the power under the proposed Rule 3 may be visited with costs under Rule 5.

(*d*) The " other person " to be examined, would be always entitled to raise any objections to answering questions, which the law may allow, and he may seek the directions of the Judge, if desired, as provided in Rule 4.

(*e*) The proposed rule would be highly useful in cases where, e.g., the debtor had recently transferred his property to his wife, son, brother, or any nominee of his.

7. Referring to the apprehension expressed by the Chamber that the process suggested, may be used for getting at the trade secrets of a rival debtor, your petitioners pointed out that it would be always open to the debtor, to avoid the examination by prompt payment or giving security for payment. A person who has valuable trade secrets to guard would be able to find adequate security for the payment of debt or to satisfy the creditor as to his *bona fides*. The Chamber thereupon reconsidered the matter and communicated to the petitioners their full approval of all the said draft rules, by their Secretary's letter dated 7th August 1931.

8. The Marwari Chamber of Commerce, Ltd., Bombay, have not only approved the draft rules, but have undertaken to move the Federation of Indian Chambers of Commerce and Industry, to get similar rules adopted by the other High Courts. The Maharastra Chamber of Commerce considers that the proposed rules will, to a great extent, relieve the inconvenience, hardship and loss to the decree-holder occasioned by the present procedure and the delays caused thereby. The said Chamber makes some alternative suggestions for the better carrying out of the object of the said draft rules and suggests certain amendments to the said rules. The Bombay Native Piecegoods Merchants' Association have, after careful consideration, expressed the opinion that the proposed rules should be incorporated in the Rules of the High Court with the proviso that the summons to a third party should only be issued where the applicant *bona fide* believes that such third person is in a position to give information in regard to the property of the debtor. The Bombay Grain Dealers' Association, the Bombay Hosiery Merchants' Association, the Bombay Malbar Kariana Merchants' Association, the Bombay Type Foundry Owners' Association, the Dharamsey Morarji Chemical Co., Ltd., and others, entirely approve and support the said draft Rules. Hereto annexed and collectively marked " B "* is a copy of the communications received by your petitioners from the said associations.

* Not printed.

9. Your petitioners are aware that an argument is liable to be advanced against the said rules being sanctioned. It may be said that for those who wish to avail themselves of the facilities for realising their decrees, the legislature has already enacted O. 21, R. 41, and that as regards those who are too lethargic or unintelligent to avail themselves of the facilities, no amount of further rules will help. As to this, your petitioners have endeavoured in the foregoing paragraphs to give some of the reasons why O. 21, R. 41 has not been availed of. Your petitioners further submit that, as to the great psychological effect, upon the judgment debtor, of an Order made *immediately* after the passing of a decree against him, there can be no question. The proximity of the decree to the investigation about the judgment debtor's dealings, affairs and property, is, your petitioners submit, a proved factor of the greatest importance in making the judgment debtor " pay up " in preference to undergoing an investigation under the said Order.

10. The proposed rules, it is submitted, are less drastic than the provisions contained in the Rules of the Supreme Court, enabling a decree-holder to issue a Bankruptcy Notice against the judgment debtor. The latter provision may, perhaps, be in advance of the times, even in a commercial city like Bombay, but there can, it is submitted, be no harm in sanctioning the proposed rules, with the safeguards provided thereunder in the shape of (1) a sworn affidavit being required to be made by the decree-holder, (2) the application being required to be made to the Judge in Chambers, (3) the liability of the decree-holders as to costs, and (4) the facility for referring to the Judge for directions whenever any real difficulty arises in the course of the enquiry under the said rules.

11. This petition has been approved and supported by the Chambers of Commerce and the Associations referred to above. Your petitioners submit that there is further a large body of responsible mercantile opinion in favour of the necessity and propriety of some provision of the nature indicated in the said draft rules and that if the said rules (with such modifications as Their Lordships may consider proper) are framed, they will give great satisfaction to the very large number of members of the mercantile associations mentioned above and to the general litigating public. The said rules, it is submitted, will go a considerable way towards reducing the hardships to which a successful litigant is put and which is expressed in the common saying that a decree-holder's real difficulties commence with the decree. Your petitioners, therefore, submit that Your Lordships will be pleased to take the said draft rules into favourable or sympathetic consideration.

12. Your petitioners further submit that suitable forms of the Application and the Order, may be framed and the said Rules and Forms may be inserted in the High Court Rule Book (O.S.). As explained above, Order 21, R. 41 has remained practically a dead letter. Your petitioners, however, submit that the addition of the said rules in the High Court (O.S.) will achieve the *twofold purpose*, of prominently intimating to the profession and the litigating public, the existence and scope of the said rules, and also the procedure to be adopted for obtaining relief thereunder.

" A."

DRAFT RULES.

1. When a decree or order is for the recovery or payment of money, the party entitled to enforce it, may at any time after the passing of the decree or order, apply to the Judge in Chambers *ex parte* for an order that the debtor liable under such judgment or order (or in the case of a firm, any partner or officer thereof) be orally examined as to whether any and what debts are owing to the debtor, and whether the debtor has any and what other property or means of satisfying the decree or order before a Judge or an officer of the Court as the Judge shall appoint, and the Judge may make an order for the attendance and examination of such debtor or of any other person, and for the production of any books or documents.

2. When making the order for examination under Rule 1, the Judge may order that the debtor shall not attempt to part with any assets pending the examination, except in the ordinary course of business. Before making the order the Judge may require the decree-holder to give an undertaking in damages.

3. When a decree or order is for the recovery or payment of money, the party entitled to enforce it may, at any time after the passing of the decree or order, apply to the Judge in Chambers *ex parte* for an order that any person known or suspected to have in his possession any property belonging to the debtor or supposed to be indebted to the debtor or to be capable of giving information respecting the debtor, his dealings or property be orally examined as to the said matters or any of them, before a Judge or an officer of the Court as the Judge shall appoint, and the Judge may make an order for the attendance and examination of such person and for the production of any books or documents.

4. If the debtor or other person, ordered to be examined, after having been rendered a reasonable sum, refuses to come before the Judge or the officer of the Court appointed to hold the examination, at the time appointed or refuses to produce any such document, or to answer any question, having no lawful impediment made known at the time and allowed by the Judge or such officer, the Court may, by warrant, cause him to be apprehended and brought up for examination.

5. The cost of the said order and examination shall be costs in the proceedings in execution, and such order in regard to the payment thereof by the debtor or otherwise, shall be made as to the Court may seem just.

Letter No. 2799/190, dated the 13th October 1931, from the Association to Messrs. Pandia and Company, Solicitors, Bombay.

RECOVERY OF MONEY IN SATISFACTION OF DECREES.

I beg to acknowledge receipt of your letter dated the 17th September 1931, and enclosures, and to inform you that the draft rules suggested by you have received my Committee's approval. They have, therefore, no hesitation in associating themselves with the submissions made in the petition addressed to the Honourable the Chief Justice and Judges of the High Court of Bombay.

APPENDIX 29.

PROPOSED EXTENSION OF THE FRANCHISE.

Letter No. 24-V/558, dated the 11th May 1931, from the Deputy Reforms Officer, Bombay, to the Association.

Subject :—MATERIAL FOR SUBMISSION TO THE FRANCHISE COMMITTEE.

With reference to your letter No. 974/97, dated the 5th May 1931, I am directed by the Governor in Council to state that Government will be obliged if you will be so good as to forward the views of the Bombay Millowners' Association on the recommendations of the Franchise Sub-Committee of the Indian Round Table Conference and of the Indian Statutory Commission referred to in paragraph 1 of my letter No. 24/478, dated the 25th March 1931.

Letter No. 24/478, dated the 25th March 1931, from the Reforms Officer, Bombay, to all Returning Officers for the Constituencies of the Bombay Legislative Council.

Subject :—MATERIAL FOR SUBMISSION TO THE FRANCHISE COMMITTEE.

I am directed by the Governor in Council to state that in pursuance of the recommendation of the Indian Round Table Conference a Franchise Committee is expected to arrive in India in the near future with instructions to investigate the possibilities of revision

of the existing franchise for the Bombay Legislative Council. It is, therefore, necessary for Government to formulate their views as to the future franchise and to collect necessary material for submission to the Franchise Committee, when it arrives. I am accordingly to forward herewith a copy each of the Report of the Franchise Sub-Committee of the Indian Round Table Conference and paragraphs 106-108 of Volume II of the Report of the Indian Statutory Commission and to request that you will be so good as to favour Government with your remarks on each of the recommendations therein made at a very early date. In particular, I am to request you to state what revision of the franchise would, in your opinion, secure the enfranchisement of the population to the extent recommended by the Franchise Sub-Committee, how the ideal suggested in paragraph 5 of its report can best be reached and how far the proposed qualifications for women are suitable.

2. Returning Officers for general constituencies are also requested to be so good as to furnish information on the following points :—

(1) What should be the franchise if 10 or 15 or 20 per cent. of the total population of your constituency was to be enfranchised ;

(2) what would the extent of enfranchisement be in your constituency if the existing franchise was lowered to, say, two-thirds or one-half ;

(3) what approximately is the number of persons in your constituency who attained the fifth standard class before leaving school and would be enfranchised, if the qualification suggested by the Indian Statutory Commission in paragraph 106 of Volume II of their Report was introduced. It would be most helpful if information could be furnished showing the number of persons who would be enfranchised in each of the classes, communities and interests who are represented in the present electorates ;

(4) what would be the possible number of women voters if the qualifications suggested for women voters by the Indian Statutory Commission and the Franchise Sub-Committee were introduced ;

(5) what would be the extent of enfranchisement of members of joint Hindu families if the proposed qualifications were introduced.

3. The information required in the foregoing paragraph is shown in a tabular form in the statement* hereto appended and I am to request that, besides stating your views on each of the points mentioned in the foregoing paragraphs, the form* sent herewith may kindly be filled in and returned to this office together with your remarks so as to reach me within two months from the date of receipt of this letter.

Report of Sub-Committee No. VI (Franchise) of the Indian Round Table Conference.

1. The terms of reference to this Sub-Committee were as follows :—

" On what main principles is the Franchise to be based for men and women."

The following delegates were selected to serve on the Sub-Committee :—

Sir W. A. Jowitt (*Chairman*).	Sir P. C. Mitter.
Lord Zetland.	Mr. Pannir Selvam.
Major Stanley.	Raja of Parlakimedi.
Sir R. Hamilton.	Mr. K. T. Paul.
Mr. Foot.	Mr. Ramachandra Rao.
Dr. Ambedkar.	Mr. Shiva Rao.
Mr. Basu.	Sardar Sampuran Singh.

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* Not printed.

Mr. Barooah.
Mr. Chintamani.
Mr. Fazl-ul-Huq.
Mr. Ghuznavi.
Lieut.-Colonel Gidney.
Sir Ghulam Hussain Hidayatullah.
Mr. Hafiz Hidayat Hussain.
Mr. B. V. Jadhav.
Sir Cowasji Jehangir.
Mr. Joshi.
Dr. Narendra Nath Law.
Sardar Ujjal Singh.
Sir Chimanlal Setalvad.
Kunwar Bisheshwar Dayal Seth.
Sir Phiroze Sethna
Dr. Shafa'at Ahmad Khan.
Mr. Zafrullah Khan.
Begum Shah Nawaz.
Mrs. Subbarayan.
Mr. Srinivasan.
Mr. S. B. Tambe.
Sir Hubert Carr.

2. The Sub-Committee met on the 19th, 22nd, and 30th of December 1930, and on the 1st of January 1931, and have authorised me to present this Report.

3. In our discussion of the franchise principles we have found that they were closely connected with questions which more properly concern the composition of the legislatures, the nature of the constituencies, and the qualifications for candidates for election. These points have not been considered in the Sub-Committee as they fall outside its terms of reference but we are of opinion that they should be further examined since the efficacy of any franchise system depends as much on these points as on the qualifications for the franchise.

4. *Extension of the franchise.*—While it was generally held that adult suffrage was the goal which should ultimately be attained, it was agreed that the basis of the franchise could forthwith be broadened and that a large increase was desirable.

Some difference of opinion existed as to the extent to which this was practicable in present circumstances, and it was realised that the Sub-Committee had not the necessary material to determine the precise limits of the advance. The Statutory Commission suggested such an increase in the number of electors as would bring that number up to 10 per cent. of the total population. Some of our members thought that an increase to 25 per cent. of the total population was immediately practicable.

We recommend that an expert Franchise Commission should be appointed with instructions to provide for the immediate increase of the electorate so as to enfranchise not less than 10 per cent. of the total population and indeed a larger number—but not more than 25 per cent. of the total population—if that should, on a full investigation, be found practicable and desirable.

We recommend that, in addition to providing for this increase, the Commission should consider the introduction of a scheme by which all adults not entitled to a direct vote would be grouped together in primary groups of about 20 or in some other suitable manner, for the election of one representative member from each group, who would be entitled to vote in the Provincial elections either in the same constituencies as the directly qualified voters or in separate constituencies to be formed for them.

[Mr. Joshi, Mr. Shiva Rao, Dr. Ambedkar, Mr. Srinivasan, Mr. K. T. Paul, and Mr. Jadhav regard these proposals as quite inadequate and consider that the immediate introduction of adult suffrage is both practicable and desirable.

Sir Cowasji Jehangir and Sir P. C. Mitter dissent from these proposals and consider that the basis of the franchise should be broadened, if at all, by another system.]

5. *Uniformity of qualifications for the franchise.*—We recommend that in any given area the franchise qualifications should be the same for all communities ; but we desire that the Franchise Commission in making their proposals should bear in mind that the ideal system would as nearly as possible give each community a voting strength proportional to its numbers and that the Commission should so contrive their franchise system as to secure this result in so far as it may be practicable.

[Sardar Ujjal Singh, Sardar Sampuran Singh, Sir Cowasji Jehangir, and Lieut.-Colonel Gidney dissent from the latter part of this conclusion.]

6. *Property qualification.*—We consider that there should be a property qualification for the franchise and that in this connection the word " property " should be understood in its widest sense as including not only the ownership of landed property but also the occupation of landed or house property or the receipt of income or wages whether in cash or kind.

7. *Educational qualification.*—We are of opinion that the Franchise Commission should consider the possibility of framing a suitable educational qualification as an additional qualification for the franchise, bearing in mind the ideal enunciated at the end of paragraph 5.

8. *Military Service qualification.*—We are agreed that the existing Military Service qualification should be retained and we recommend that the Franchise Commission should consider the extension of this qualification so as to include service in the Auxiliary and Territorial Forces.

9. *Special franchise qualification for women.*—We observe that under the existing franchise the number of women voters is infinitesimal as compared with that of men. No system of franchise can be considered as satisfactory, or as likely to lead to good government where such a great disparity exists between the voting strength of the two sexes. We do not anticipate that the recommendations we have already made will reduce this disparity, nor do we think that they provide sufficiently for the enfranchisement of women. We therefore agree that special qualifications should be prescribed for women but we feel that there is not sufficient material before us to justify an attempt to formulate these special qualifications. We therefore recommend that the Franchise Commission should devote special attention to this question in the light of all the evidence available including the recommendations of the Statutory Commission and the suggestion made in this Sub-Committee that the age limit mentioned in the proposals of the Statutory Commission should be lowered from 25 to 21.

[Mr. Joshi, Mr. Shiva Rao, Dr. Ambedkar, and Mr. Srinivasan dissent from the proposals in paragraphs 7, 8 and 9.]

10. *The franchise for special constituencies.*—We are of opinion that the franchise qualifications for special constituencies depend essentially on the nature of those constituencies. We are not empowered to consider the latter point nor are we in possession of information as to what special constituencies are contemplated. These questions require examination by a competent body. So far as the franchise aspect has been discussed in this Sub-Committee a division of opinion has shown itself as to the desirability of permitting a voter qualified in both a general and a special constituency to vote in both.

11. *Urban and rural enfranchisement.*—We are of opinion that the Franchise Commission should endeavour so to adjust the franchise qualifications as to remove in those areas where it may exist any marked disparity in the operation of the franchise qualifications in urban as compared with rural areas.

12. *The residential requirement.*—We are of opinion that the residential qualification for the vote required by the electoral rules of certain Provinces should be abolished.

13. *The future electorate.*—We consider it inadvisable to lay down any programme of automatic extensions of the franchise. We prefer that it should be left to each Provincial Legislature to extend its franchise at its discretion after the lapse of 10 years from the date of the introduction of the new Constitutions.

[Mr. Joshi, Mr. Shiva Rao, Dr. Ambedkar, and Mr. Srinivasan consider that a programme of automatic extensions of the franchise should be laid down.]

14. *Franchise for the Central or Federal Legislature.*—The form of the Central or Federal Legislature has not yet been decided and in these circumstances we do not find it possible to make any suggestions regarding a suitable franchise system,

[Mr. Fazl-ul-Huq and Mr. Ghuznavi desire it to be recorded that their assent to this report is contingent on the retention of separate electorates.]

(Sd.) W. A. JOWITT,
Chairman.

ST. JAMES'S PALACE, S.W. 1.
1st January 1931.

Copy of paragraphs 106-108 *of Volume II of the Report of the Indian Statutory Commission.*

106. *Our own Proposals for Extension.*—Our proposal is that a new Franchise Committee, or other suitable body under an impartial and experienced chairman should be set up with instructions to frame schemes which would enfranchise about 10 per cent. of the total population. This would more than treble the present number of voters and would make an electorate of about 20 per cent. of the adult population. The Franchise Committee would be directed to consult the provincial Governments before determining what modifications in voting qualifications should be made for this purpose, and would be required, in drawing up its schemes, to have due regard to the respective claims of rural and urban areas, and to the rights of women as well as men. Another instruction to the Franchise Committee would be to devise such qualifications as would secure, as far as possible, the same proportion of voters to population in different communities. What sort of qualifications would best bring about the desired result will be for the future Committee to determine. But we may say at once that we do not think the result should be attained simply by providing different set of qualifications for voters of different religions or races. The Committee should consider whether it is not practicable and desirable to introduce an additional qualification based on education, independently of property, such, for example, as the attainment of the fifth class before leaving school. This is not the imposition of a test for the vote, but the introduction of another head of qualification. Our Education Committee's Report shows how many pupils drop out before reaching this level, and if it proved administratively possible to put on the voters' list at the age of 21 those who held a certificate showing that they had reached the standard of the fifth class, this would not only bring in voters of better education without any property test but would provide for an increase in the number of electors in proportion as education expands.

107. *Some Defects of the Present Franchise.*—The importance of lowering the property qualification, if justice is to be done as between different classes and creeds, may be illustrated by a few examples. Figures before us for Madras show that in that Presidency, while Muhammadans are 6.7 per cent. of the population, they are 4.7 per cent. of the voters; Indian Christians are 3.2 per cent. of the population, but only 1.8 per cent. of the voters; Depressed Classes are 15.5 per cent. of the population, but only 4.1 per cent. of the voters; while the balance of the population (in effect caste Hindus) are 74.6 per cent. of the population and 89.4 per cent. of the voters. Of course, Muhammadan representation is disproportionately increased in the Councils by weightage in seats. In each case, the explanation of the drop in voting ratio as compared with population ratio is due to the greater poverty of the classes of voter affected. They are more depressed economically than other sections of the community and, therefore, on a given property qualification these classes will secure a lower proportion of votes than others. But with a lowering of the franchise these classes will not only secure more voters in the aggregate, but their voting ratio will more nearly approximate to their population ratio. This is very clearly brought out in the case of the Muhammadans of Bengal. One of the qualifications for a vote for the Legislative Council is the payment of chaukidari tax of not less than two rupees. For electors to Union Boards there is a similar qualification, except that the minimum payment to qualify for a vote is one rupee instead of two. Now, the Muhammadans are 55.3 per cent. of the rural population of Bengal. But in the rolls of rural electors for the Legislative Council they are only 48.8 per cent.; whereas for Union Boards, where the qualification is halved, Muhammadan voters are 57.7 per cent., which much more nearly corresponds to their population ratio. It is calculated that out of an additional 968,000 voters in rural Bengal brought in by such a lowering of franchise, 608,000 would be Muhammadans. The effect on the Depressed Classes of lowering the franchise may not be so marked, but in their case too, as the qualification is lowered, their

voting ratio will rise. As we are opposed to having different qualifications for different classes in the same province, the importance of lowering the franchise and thus bringing the economically backward in greater numbers within the electoral range is manifest.

108. *Proposed Qualifications for Women Voters.*—The qualifications for women voters also need reconsideration. We have explained in our first volume why the enfranchisement of Indian women "on the same terms as men" produces very few women voters indeed. We desire to see a substantial increase in the present ratio of women to men voters. If this is not effected now, the situation will later on be reached when so large a proportion of adult men are on the register, and so few women, that a further extension to bring the number of women voters more nearly to an equality (even if the provincial councils as then constituted proposed it) would necessitate the sudden admission of vast numbers of women with hardly any increase in the number of men. It is far better to proceed gradually and steadily, and a further step in developing women's suffrage in India should be taken now. Some qualification other than the present one is needed, and it is very difficult to suggest the most satisfactory method. It may perhaps be found possible to add to the present qualifications two others, viz., (1) being the wife, over 25 years of age, of a man who has a property qualification to vote, and (2) being a widow over that age, whose husband at the time of his death was so qualified. In addition, the educational qualification should apply to women over 21 as well as to men. Many will be disposed to say that Indian wives and widows are so largely uneducated or living in seclusion that their enfranchisement to this extent is premature and extravagant. We do not think so. The beginning of a movement among certain Indian women, however comparatively few in number they may yet be, to grapple with problems which specially affect home and health and children is one of the most encouraging signs of Indian progress, and we believe that this movement would be strengthened by increasing the influence of women at elections. Some general idea of the proportion of female to male voters which would probably be attained under the above suggestion may be gathered from the fact deduced from the census, that married women over 25 are about one-half of the number of men over 21. We limit our proposal to wives and widows of 25 because, on practical grounds, we are anxious to avoid introducing at this stage too heavy a proportion of women in the electorate.

Letter No. 1326/97, *dated the 9th June* 1931, *from the Association to the Deputy Reforms Officer, Bombay.*

Subject:—MATERIAL FOR SUBMISSION TO THE FRANCHISE COMMITTEE.

With reference to your letter No. 24-V/558, dated the 11th May 1931, I am directed by my Committee to reply as follows. My Committee do not propose to do more than offer a few general observations. They do not desire to make any detailed proposals at the present stage.

My Committee are in favour of an extension of the franchise, and they think that the proposal to bring the number of voters up to 10 per cent. of the total population goes far enough in the present circumstances of the country. With the spread of education and the acquisition of greater familiarity with representative institutions, further extensions will be necessary, but before that stage is reached, it will be very inadvisable to enfranchise all at once large masses of people unaccustomed to the use of a vote. The proposal to enlarge the electorate up to 10 per cent. of the population is fair and constitutes a sufficient advance upon present conditions to make it acceptable generally.

As regards qualification, my Committee are of opinion that both property and educational qualifications should entitle a man or a woman to a vote. The qualification will differ widely with provinces, and in some cases with communities. While a uniform franchise for all elements of the population in a given area may be desirable, in the transitional stage it may not be found possible to lay down a uniform qualification without hurting the interests of minorities or of classes whose economic position or state of education is calculated to place them at a disadvantage in relation to other classes and communities.

My Committee recognise the enormous importance of a proper system of franchise to the working of representative institutions, and would urge that before final decisions are taken, the fullest opportunity should be given to all sections of the public to review the findings of any committee or commission which may be set up to examine the problem.

APPENDIX 30.

THE INDIAN STORES DEPARTMENT.

Letter No. S. 18, dated the 16th June 1931, from the Secretary, Stores, Printing and Stationery Sub-Committee of the Retrenchment Advisory Committee, Simla, to the Association.

I am desired by the Stores, Printing and Stationery Sub-Committee of the Retrenchment Advisory Committee to ask for an expression of the views of your Association on the subject of the future of the Indian Stores Department.

2. The establishment of the Department, as you are aware, was a measure connected with the adoption of the policy of the Government aiming at the encouragement of the industries of the country without sacrificing economy, in view of the opinion of the Indian Industrial Commission that the most obvious and direct form of assistance which the Government of India can give to the industries of the country is by the purchase of supplies required for the public service so far as is possible in the country itself. It was held that the constitution of a fully equipped stores agency was a very important item in the policy of industrial improvement on which the Government of India were embarked.

3. The Sub-Committee would value the opinion of your Association as to the practical value that has attached to the operations of the Department; and as to the questions whether this organisation should be maintained more or less in its present form, or whether it could be dispensed with, or should be otherwise modified either in respect of its organisation or the scope of its functions.

4. It is requested that the reply to this letter may kindly be addressed to the Secretary to the Sub-Committee, C/o the Government of India, Department of Industries and Labour, Kennedy House, Simla; and, if possible, that it should be despatched in time to reach this address by an early date in July 1931. If your reply is sent in typescript it would be a great convenience to the Sub-Committee if six copies of it could be furnished. Your reply will, if so marked, be treated as confidential.

Letter No. 2313/162, dated the 2nd September 1931, from the Association to the Secretary, Stores, Printing and Stationery Sub-Committee of the Retrenchment Advisory Committee, Simla.

I am directed to forward herewith the views of my Committee on the subject of the future of the Indian Stores Department, and to say that they much regret the delay that has occurred in submitting them; but trust that that will not preclude their consideration by your Sub-Committee.

FUTURE OF THE INDIAN STORES DEPARTMENT.

Views of the Committee of the Millowners' Association, Bombay.

The practical value that has attached to the operations of the Department, in the opinion of my Committee, has not been as great as it should have been owing to the fact that Government Departments still continue to place orders abroad, or purchase imported stores in large quantities to meet their requirements. Speaking in the Assembly in 1921, Sir Charles

Innes said : " If this Indian Stores Department is established, it will purchase for the State Railways *all* railway materials which can be procured in India. . . . If that Department acquires the confidence of the great consuming Departments, especially the Company Railways, then the Stores Department would be mainly occupied in buying railway material not only for the State Railways, but for Company Railways also." This has not, however, been the case, mainly, it is submitted, owing to the fact that different railways have their own departments for the purchase of stores.

The Committee fail to understand why the Government have not found it possible to utilize the Indian Stores Department to the fullest possible extent when one of the conditions on which an extended use of the Department was to depend, viz., that it was to be an effective agency for inspection, has been fulfilled for, it is stated in the report of the Stores Committee, that the Government have frequently availed themselves of the services of the inspection department. It remains a fact, however, that the State Railways do not make adequate use of the Departments and Company-managed lines apparently do not consult the Department even to the very limited extent that the State Railways do. What my Committee would like to point out, in this connection, is that the Department has no power to compel store-using departments to buy through it, though a resolution specifically recommending that the purchase of stores for the State Railways be undertaken through the organization of the Indian Stores Department was passed in the Assembly in 1927.

The Committee would, therefore, like to urge that the question of the centralisation of Stores purchase for the whole of India under one Department, which was raised by the Public Accounts Committee for 1924-25, should be re-examined, in view of the anomalous position which now exists, to see whether some means could not be devised to increase the scope of the activities of the Indian Stores Department, and thus make it subserve the larger end which the Indian Industrial Commission observed was that the most obvious and direct form of assistance which the Government of India could give to the industries of the country was by the purchase of supplies required for the public service so far as is possible in the country itself. It is pertinent to remark here that the Government themselves recently have come to recognise the advisability of centralising arrangements for the purchase of certain stores required by their railways. This would appear to indicate that co-ordination in the purchase of stores through the Indian Stores Department ought not to present any insuperable difficulties.

My Committee are convinced that if the Indian Stores Department were invested with powers to control the purchase of stores for all the other great consuming departments of the Government of India and of Local Governments who are, at present, free to buy their stores from any source, it would enable Government to give effect to its declared policy of encouraging Indian industries to a much larger extent than is possible to-day.

The Committee are aware that, since the introduction of the rupee tender system, improved arrangements have been made for the purchase of stores in India. The maintenance, however, of separate stores establishments by the Army Department and the Railways not only militates against the possibility of extending the activities of the Indian Stores Department, but is the cause, so far as the experience of a large group of mills in Bombay goes to show, of considerable interference with its work, frequently leading to rejection of their tenders for insufficient reasons.

My Committee would here like to refer to the evidence given by the Association's representative before the Stores Purchase Committee in 1920 when this aspect of the matter was specially stressed and it was suggested that it would be a distinct advantage to have a Central Purchasing Agency with its headquarters at the seat of the Indian Government, presided over by a man of great ability, integrity and experience.

Apart from the larger question discussed above, my Committee would like to bring to your notice the desirability of revising some of the rules of the Department, which in their application to tenders for textile stores submitted by members of the Association, are felt to be a hardship, especially when tendering in competition with foreign manufacturers and importers.

They may be summarised as under :—

(*a*) The period allowed for preparation of samples is often much too short, and renders it difficult, if not impossible at times, to get them ready in time for submission to the Department.

(*b*) Specifications for certain kinds of stores, e.g., for Blue Grey Flannel, White Angora Flannel, etc., are based on foreign samples, which is unfair to local manufacturers who are not in a position to make exact counter-samples.

(*c*) The stipulation in contracts running for twelve months that delivery of more than half the quantity ordered is to be delivered as and when required by the indentor, imposes additional liability on mills for storage and insurance until delivery.

(*d*) The right reserved to the Indian Stores Department to alter the contract quantity by as much as 25 per cent. is both unfair and unreasonable.

(*e*) The long delay in passing bills for payment results in the loss of interest to mills which they would, otherwise, have earned if payment were made earlier.

(*f*) In quoting for goods ordered by the Railway and Army Departments, mills are required to deliver F.O.R. destination, which makes it necessary to quote higher rates. It is suggested that if delivery is made F.O.R. mills, and a certificate for the application of the lower freight rates allowed by railways to these departments to the mills tendering for them would enable lower quotations to be submitted by mills.

In making their recommendations the Sub-Committee might, with advantage, review the whole position of stores purchase both in India and in England. The Committee are of opinion that the purchase of stores by the High Commissioner in London should be co-ordinated with and subordinated to the Indian Stores Department. If, as the Committee have urged, the Indian Stores Department is to be made increasingly responsible for the purchase of all Government stores, they do not see any reason why a department with identical functions should continue to be maintained in England at heavy cost to Indian revenues.

APPENDIX 31.

DEFECTS IN INDIAN MILL-MADE YARN.

Letter No. 1331, *dated the* 17*th December* 1930, *from the Under Secretary to the Government of India, Department of Industries and Labour, New Delhi, to the Association.*

Subject :—DEFECTS IN INDIAN MILL YARN.

I am directed to address you on the subject of certain defects which are at present reported to exist in the cotton yarn produced by the Indian mills.

2. As your Association is no doubt aware, hand-loom weavers obtain their supply of yarn from both Indian and foreign mills, but by far the largest proportion is derived from Indian mills. During the year 1929-30 Indian mills supplied about 87 per cent. of the total hand-loom requirements of India.

3. It has been represented to the Government of India that the yarn supplied by the majority of the spinning mills in India is badly reeled, contains a large number of loose threads, is not of the reputed count and does not possess the necessary tensile strength for use as "warp." In view of the necessity of placing the hand-loom weaving industry on a com-

mercial basis, it has accordingly been suggested that steps should be taken by the Government of India to lay down by means of legislation that :—

(*a*) a bundle of yarn should be made up of a standard weight of 10 lbs. ;

(*b*) each bundle should contain as many knots as the number of its count ;

(*c*) each knot should contain 10 hanks, each hank containing 840 yards ;

(*d*) the tensile strength and correct count of yarn should be indicated on each bundle.

4. The question of undertaking legislation with a view to give effect to the suggestions mentioned above has been considered by the Government of India but they do not propose to take any action in this direction at present. I am in this connection to invite attention to paragraph 83 of the Report of the Indian Tariff Board (Cotton Textile Industry Enquiry), 1927, in which the defects in the quality of yarn manufactured by Indian mills, short reeling and improper marking were pointed out. The Government of India have no information as to what action, if any, has been taken by the Millowners on the observation made by the Tariff Board ; but they have no doubt that the removal of the defects in question would be in the interest of the Indian mill industry itself. I am accordingly to suggest to your Association that these defects may be brought to the notice of the millowners in order that they may take such steps to remedy them as they may consider necessary.

Letter No. 167/38, *dated the* 22*nd January* 1931, *from the Association to the Under Secretary to the Government of India, Department of Industries and Labour, New Delhi.*

I am directed to refer to your letter No. 1331, dated the 17th December 1930, and to say that my Committee have, in circulating its contents to all members of the Association, impressed upon them the importance of taking such action as might appear necessary to them for the early removal of those defects, if any, in the yarn to which you have drawn special attention.

While my Committee are at one with the Government of India in their desire to see the causes of the complaints referred to in your letter removed, they would like to point out that the remarks of the Tariff Board (to which a reference has been made in your letter) referred in the main to yarn and cloth produced in Ahmedabad, and my Committee submit that as far as the yarn and cloth manufactured by members of this Association are concerned, complaints of the type referred to in your letter are extremely rare.

In regard to the suggestion which has been made to invest Government with powers to control the marking, etc., of Indian mill-made yarn and cloth, my Committee desire me to state that they would be prepared to give favourable consideration to any reasonable and practical proposals, which might in future be put forward by the Government of India, or any other body of persons or Association connected with the trade in either yarn or piecegoods for the protection of the consumer's rights and interests.

Circular No. 170/38, *dated the* 22*nd January* 1931, *to All Members of the Association.*

In complying with the request made by the Government of India, in their letter* dated the 17th December 1930 (a copy of which I enclose), to acquaint members of the Association with the complaints made, from time to time, in regard to Indian mill-made yarn, I am directed by the Committee of the Association to draw your special attention to the importance of taking such action as may appear necessary to you to remedy the evils referred to in the letter, at an early date.

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* Already printed.

My Committee would, in this connection, also like to refer you to the underquoted remarks of the Tariff Board to which, it will be seen, a reference has been made in Government's letter :—

" As we have already mentioned, we received fewer complaints in respect of Bombay goods than of those manufactured in Ahmedabad, but there is reason to believe that in Indian mills generally efforts are made to spin a finer count of yarn than the quality of the cotton justifies, the result of which is inferior yarn and cloth. The quality of Indian yarn, more especially that manufactured in Ahmedabad, was compared very unfavourably with that of Japanese yarn by some witnesses who also complained that some Indian mills did not supply full length. Instances were given of 18s yarn being supplied as 20s with the consequence that the length was reduced to make up for the coarser count. This practice appears to have led to the stamping of double numbers. It was, for example, stated that yarn from Ahmedabad stamped as 28/40s was being placed on the market. The representatives of the Ahmedabad Millowners' Association admitted that, in some instances, 28s yarn had been placed on the market in bundles of 40 knots but explained that this was done at the request of the merchants and that, although the yarn was marked as 28/40s the price realized was that for 28s only. They considered that marking in this manner made it perfectly clear what the count actually was but we were told that the supply of 28s yarn in bundles of 40 knots facilitates its being passed off as 40s."

It would also appear from Government's letter that they contemplate the possibility of being compelled to accede to the suggestion, made in some quarters, to introduce some form of protective legislation in the matter of hank length, stamping and bundling to safeguard the interests of the consumer of Indian yarn.

The Association has always set its face against false trade descriptions, and short lengths in deliveries of either yarn or cloth, and would welcome any practical suggestions you may make for the eradication of these evils.

APPENDIX 32.

RAILWAY FREIGHT ON COAL.

Letter No. 3252/257, *dated the* 7*th December* 1931, *from the Association to the Secretary, Railway Board, New Delhi.*

I am directed by the Committee of the Association to say that they view with grave apprehension the Railway Board's proposal to enhance railway freights on coal by a surcharge of 15 per cent. on the existing rates. The proposal is one which, in the opinion of the Committee, is bound to react very unfavourably on the struggling Indian coal industry and seriously imperil its further development. It will, my Committee think, also nullify to a great extent the good work done by the Coal Grading Board in making a better quality of Indian coal available in larger quantities than heretofore to Indian users.

My Committee would also like to point out that already long-distance rail freights are out of all proportion to the pit's-mouth price of coal, and that any further increase in the rate would be entirely unjustified. At a time when the Government of the country is pledged to support Indian industries, the Committee note with surprise that the Railway Board contemplate taking a step which will have the effect of curtailing in a great measure the ability of the Indian coal industry to compete with imported coal.

The Committee trust that the Railway Board will not come to any decision in the matter without consulting the interests of the coal trade which will be vitally affected.

APPENDIX 33.

GOVERNMENT DEMONSTRATION WEAVING FACTORY, PUNJAB.

Letter No. 124/*S*/1123, *dated the 27th June* 1931, *from the Weaving Superintendent, Government Demonstration Weaving Factory, Shahdara, to the Association.*

I have the honour to state that this Factory, with a unit of 110 power looms and necessary preparatory machines, has been started by the Punjab Government, with a view to give training on power looms to sons of hand-loom weavers of the Province, as well as to educated classes of people who desire to go in for this work. Every year a number of trained students are turned out. I shall deem it a favour if you will let me know if you will be in a position to arrange with some of your mills to admit one or more of such of my successful students, who desire to go in for further detailed practice either on wage or stipend basis, or even without any wages.

An early reply is requested.

Letter dated the 1st July 1931 *from the Association to the Weaving Superintendent, Government Demonstration Weaving Factory, Shahdara.*

Subject :—TRAINING ON POWER LOOMS TO HAND-LOOM WEAVERS.

I have the honour to acknowledge the receipt of your letter No. 124/S/1123, dated the 27th June 1931, on the above subject, and to say that it will be laid before by Committee.

I shall be glad if you will kindly indicate the average age of the candidates turned out of your factory, and whether they require employment as ordinary weavers or as departmental heads such as jobbers, etc.

Letter No. 124/*S*/1189, *dated the 3rd July* 1931, *from the Weaving Superintendent, Government Demonstration Weaving Factory, Shahdara, to the Association.*

I beg to acknowledge with thanks the receipt of your letter No. 1523/33 of 1931 and have to state as follows :—

The average age of the candidates is between 22 and 25 years. The employment required is as jobbers and overseers.

Kindly communicate the decision of your Committee to me. Please exert your influence in this direction on my behalf.

Letter No. 1661/33, *dated the 14th July* 1931, *from the Association to the Weaving Superintendent, Government Demonstration Weaving Factory, Shahdara.*

With reference to your letter No. 124/S/1123, dated 27th June, I am directed to inform you that, on a consideration of your request for the grant of facilities to students trained in your Institute for employment as jobbers and overseers by mills in Bombay, the Committee of the Association are prepared to recommend members to accommodate, as an experimental measure, approved students from your Institute, in their mills, as and when opportunities for such employment occur.

Letter No. 124/*S*/1381, *dated the 17th July* 1931, *from the Weaving Superintendent, Government Demonstration Weaving Factory, Shahdara, to the Association.*

I have to acknowledge with thanks the receipt of your letter No. 1661/33 of 1931, dated 14th July 1931.

I shall certainly approach you whenever I stand in need of your assistance in this direction. You will please be good enough to keep my Factory in view whenever vacancies occur.

APPENDIX 34.

TARIFF VALUATIONS UNDER THE INDIAN TARIFF ACT.

Note 1.—In the expression "*ad valorem*" used in these Schedules the reference is to "real value" as defined in section 30 of the Sea Customs Act, 1878 (VIII of 1878), unless an article has a tariff value assigned to it.

Note 2.—Tariff-valued heads are based on the ordinary trade description of each article and cover all reduced grades and mixtures unless they are separately provided for.

SCHEDULE II—IMPORT TARIFF.

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		I.—Food, Drink and Tobacco.			
		FISH.			
1	27	FISH, SALTED, wet or dry	Indian maund of 82 2/7 lbs. avoirdupois weight.	....	Such rate or rates of duty not exceeding one rupee as the Governor-General in Council may, by notification in the *Gazette of India*, from time to time prescribe,* *plus* 6¼ per cent. *ad valorem*.
2	65	FISH, excluding salted fish (*see* Serial No. 1)	....	*Ad valorem*	25 per cent.
3	66	FISHMAWS, including singally and sozille, and sharkfins.	....	*Ad valorem*	25 per cent.
		FRUITS AND VEGETABLES.			
3A	27A	CURRANTS	cwt.	....	Re. 1-4.
4	67	FRUITS AND VEGETABLES, all sorts, fresh, dried, salted or preserved not otherwise specified.†	....	*Ad valorem*	25 per cent.
		Tariff values.			
		Almonds without shell	cwt.	58 0 0	25 per cent.
		Almonds, kàgazi, Persian, in the shell	,,	55 0 0	25 ,,
		Almonds in the shell, Persian ..	,,	12 12 0	25 ,,
		Cashew or cajoo kernels, not skinned.	,,	31 0 0	25 ,,
		Coconuts, Straits, Dutch East Indies and Siam—			
		Husked	thousand	66 0 0	25 ,,
		Unhusked	,,	104 0 0	25 ,,
		Coconuts, Maldives	,,	21 0 0	25 ,,
		Coconuts, other	,,	33 0 0	25 ,,
		Coconut kernel (copra)	cwt.	11 12 0	25 ,,
		Dates, dry, in bags	,,	9 8 0	25 ,,
		Dates, wet, in bags, baskets and bundles.	,,	4 8 0	25 ,,
		Dates, wet, packed in other receptacles.	,,	11 4 0	25 ,,
		Figs, dried, Persian	,,	9 12 0	25 ,,
		Figs, dried, European	,,	16 0 0	25 ,,
		Garlic	,,	9 8 0	25 ,,
		Pistachio nuts	,,	53 0 0	25 ,,
		Raisins, red, Persian Gulf	,,	10 8 0	25 ,,

* The rate on the 1st January 1932, and until further notice, is annas 9⅜.

† Under Government of India, Finance Department (Central Revenues) Notification No. 14, dated the 9th April 1932, raw cashew-nuts are liable to import duty at 20 per cent. *ad valorem*.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		I.—Food, Drink and Tobacco—*contd.*			
		GRAIN, PULSE AND FLOUR.			
5	68	FLOUR except sago flour	....	....	Wheat flour—Rs. 2-8 per cwt., all others—25 per cent. *ad valorem.*
		Tariff value.			
		Cassava or Tapioca flour	cwt.	7 4 0	25 per cent.
6	1A	GRAIN AND PULSE, all sorts, including broken grains and pulse, but excluding flour (*see* Serial Nos. 5 and 7).	....	....	Wheat — Rs. 2-8 per cwt., all others—free.
7	1B	SAGO FLOUR	....	....	Free.
		LIQUORS.			
8	28	ALE, beer, porter, cider and other fermented liquors.	In barrels or other containers containing 27 oz. or more, per imperial gallon.	....	Fifteen annas.
			In bottles containing less than 27 oz. but not less than 20 oz., per bottle.	....	Two annas and six pies.
			In bottles containing less than 13½ oz. but not less than 10 oz., per bottle.	....	One anna and three pies.
			In bottles containing less than 6¾ oz. but not less than 5 oz., per bottle.	....	½ anna.
			In other containers, per imperial gallon.	....	Re. 1-4.
9	29	DENATURED SPIRIT	....	*Ad valorem*	9⅜ per cent.
		Tariff value.			
		Spirit from Java denatured before clearance.	Imperial gallon.	1 0 0	9⅜ per cent.
10	30	SPIRITS (other than denatured spirit)—			
		(1) Brandy, gin, rum, whisky, and other sorts of spirits not otherwise specified, including wines containing more than 42 per cent. of proof spirit.	Imperial gallon of the strength of London proof.	....	Rs. 37-8.
		(2) Liqueurs, cordials, mixtures and other preparations containing spirit (other than drugs and medicines)—			
		(i) entered in such a manner as to indicate that the strength is not to be tested.	Imperial gallon.	....	Rs. 50.
		(ii) not so entered	Imperial gallon of the strength of London proof.	....	Rs. 37-8.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		I.—Food, Drink and Tobacco—*contd.*			
		LIQUORS—*contd.*			
30		SPIRITS (other than denatured spirit) —*contd.*			
		(3) Drugs and medicines containing spirit—			
		(i) entered in such a manner as to indicate that the strength is not to be tested.	Imperial gallon.	....	Rs. 37-8.
		(ii) not so entered	Imperial gallon of the strength of London proof.	....	Rs. 27-5-6.
		(4) Perfumed spirits	Imperial gallon.	....	Rs. 60.
		Provided that—			
		(*a*) the duty on any article included in this item shall in no case be less than the duty which would be charged if the article were included in Part V of the Statutory Schedule (i.e., 25 per cent. *ad valorem*);			
		(*b*) where the unit of assessment is the imperial gallon of the strength of London proof, the duty shall be increased or reduced in proportion as the strength is greater or less than London proof.			
11	31	WINES, not containing more than 42 per cent. of proof spirit—			
		(1) Champagne and other sparkling wines.	Imperial gallon.	....	Rs. 13-2.
		(2) Other sorts	Imperial gallon.	....	Rs. 7-8.
*					
		PROVISIONS AND OILMAN'S STORES.			
14	69	PROVISIONS AND OILMAN'S STORES AND GROCERIES, all sorts, excluding vinegar in casks (*see* Serial No. 15).	....	*Ad valorem*	25 per cent.
		Tariff values.			
		Butter	lb.	1 6 0	25 per cent.
		Cassava, Tapioca or Sago (whole) ..	cwt.	8 8 0	25 ,,
		China preserves in syrup	box of six large or twelve small jars.	6 12 0	25 ,,
		China preserves, dry, candied ..	lb.	0 4 6	25 ,,
		China canned fruit	case of 4 doz.	9 0 0	25 ,,
		Cocum	cwt.	8 0 0	25 ,,
		Ghi	,,	64 0 0	25 ,,
		Vegetable product	lb.	0 5 6	25 ,,
		Vermicelli, flour, from China and the Far East.	cwt.	19 0 0	25 ,,
		Vermicelli, peas, from China and the Far East.	,,	21 12 0	25 ,,
		Vermicelli, rice, from China and the Far East.	,,	17 12 0	25 ,,
		Yeast, from China and the Far East.	,,	20 8 0	25 ,,
15	48	VINEGAR, in casks	....	*Ad valorem*	2½ per cent.

* There are no entries bearing Serial Nos. 12 and 13.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		I.—Food, Drink and Tobacco—*contd.*			
		SPICES.			
16	124A	THE FOLLOWING SPICES, namely :— Cardamoms, cassia, cinnamon, cloves, nutmegs and pepper.	....	*Ad valorem*	37½ per cent.
		Tariff values.			
		Cardamom seed	cwt.	55 0 0	37½ per cent.
		Cassia lignea	,,	11 0 0	37½ ,,
		Cloves	,,	60 0 0	37½ ,,
		Cloves, exhausted	,,	23 0 0	37½ ,,
		Cloves stems and heads	,,	10 0 0	37½ ,,
		Cloves in seeds, narlavang	,,	20 0 0	37½ ,,
		Nutmegs	lb.	0 7 0	37½ ,,
		Nutmegs in shell	,,	0 4 0	37½ ,,
		Pepper, black	cwt.	49 0 0	37½ ,,
		Pepper, long	,,	42 8 0	37½ ,,
		Pepper, white	,,	65 0 0	37½ ,,
		SUGAR.			
17	124	CONFECTIONERY	....	*Ad valorem*	50 per cent.
18	157	SUGAR AND SUGAR-CANDY, excluding confectionery.	cwt.	....	Rs. 9-1.
		TEA.			
19	71	TEA	....	*Ad valorem*	25 per cent.
		Tariff values.			
		Tea, black	lb.	0 11 0	25 per cent.
		Tea, green	,,	0 13 0	25 ,,
		OTHER FOOD AND DRINK.			
20	72	COFFEE	....	*Ad valorem*	25 per cent.
21	1	HOPS	....	....	Free.
22	34	MOLASSES	....	*Ad valorem*	31¼ per cent.
		Tariff values. Molasses—			
		(i) imported in bulk by tank steamer.	cwt.	2 1 0	31¼ per cent
		(ii) otherwise imported	,,	2 9 0	31¼ ,,
23	34A	SACCHARINE (except in tablets) and such other substances as the Governor-General in Council may, by notification in the *Gazette of India*, declare to be of a like nature or use to saccharine.	lb.	....	Rs. 6-4.
23A	34B	SACCHARINE TABLETS	....	*Ad valorem*	18¾ per cent. or Rs. 6-4 per pound of saccharine contents, whichever is higher.
24	35	SALT, excluding Salt exempted under Serial No. 25.	Indian maund of 82 2/7 lbs. avoirdupois weight.	....	The rate at which excise duty is for the time being leviable on salt manufactured in the place where the import takes place,* *plus* 4½ annas per maund if manufactured outside India.

* The rate of excise duty on the 1st January 1932, and until further notice, is Rs. 1-9-0

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		I.—Food, Drink and Tobacco—*concld.*			
		OTHER FOOD AND DRINK—*contd.*			
25	2	SALT IMPORTED INTO BRITISH INDIA AND ISSUED, in accordance with rules made with the previous sanction of the Governor-General in Council, for use in any process of manufacture; also salt imported into the port of Calcutta and issued with the sanction of the Government of Bengal to manufacturers of glazed stoneware; also salt imported into any port in the provinces of Bengal and Bihar and Orissa and issued, in accordance with rules made with the previous sanction of the Governor-General in Council, for use in curing fish in those provinces. (For the general duty on salt, *see* Serial No. 24.)	....	....	Free.
26	73	ALL OTHER SORTS OF FOOD AND DRINK not otherwise specified.	....	*Ad valorem*	25 per cent.
		Tariff values.			
		Chillies, dry	cwt.	21 0 0	25 per cent.
		Ginger, dry	,,	26 0 0	25 ,,
		Mace	lb.	1 4 0	25 ,,
		TOBACCO.			
27	37	CIGARS	....	*Ad valorem*	112½ per cent.
28	37A	CIGARETTES OF VALUE—			
		(*a*) not exceeding Rs. 10-8 per thousand*.	thousand	....	Rs. 10-10.
		(*b*) exceeding Rs. 10-8 per thousand..	,,	....	Rs. 15.
		Note.—For the purposes of this item, 'value' means real value as defined in Section 30 of the Sea Customs Act, 1878, provided that the deduction allowed under clause (*a*) of that section shall be calculated in all cases as if the cigarettes were classified under sub-item (*a*).			
29	36	TOBACCO, unmanufactured	lb.	....	Re. 1-14.
30	38	ALL OTHER SORTS OF TOBACCO manufactured.	lb.	....	Rs. 3-12.
		II.—Raw Materials and Produce and Articles Mainly Unmanufactured.			
		COAL, COKE AND PATENT FUEL.			
31	39	COAL, Coke and Patent Fuel	ton.	....	Ten annas.
		DYES AND COLOURS.			
31A	2A	BARKS for tanning	....	....	Free.
		GUMS, RESINS AND LAC.			
32	10B	STICK OR SEED LAC	....	....	Free.

* Under Government of India, Finance Department (Central Revenues) Notification No. 14, dated the 9th April 1932, cigarettes of value not exceeding Rs. 6 per thousand are liable to import duty at Rs. 8-8 per thousand, provided that, for the purpose of this notification, no cigarettes of which the real value is ascertainable under clause (*a*) of Section 30 of the Sea Customs Act, 1878, shall be deemed to have a value not exceeding Rs. 6 per thousand if, before deduction is made on account of the import duties payable, the wholesale cash price, less trade discount, referred to in that clause exceeds the sum of Rs. 14-8.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		II.—Raw Materials and Produce and Articles Mainly Unmanufactured—*contd.*			
		GUMS, RESINS AND LAC—*contd.*			
33	74	GUMS, RESINS AND LAC, all sorts not otherwise specified (*see* Serial No. 32).	....	*Ad valorem*	25 per cent.
		Tariff values.			
		Gambier, block and cube	cwt.	17 8 0	25 per cent.
		Gambier in flakes or circular pieces. .	,,	45 0 0	25 ,,
		Gum Ammoniac	,,	30 0 0	25 ,,
		Gum Arabic, other than ground ..	,,	23 0 0	25 ,,
		Gum Benjamin, ras	,,	30 8 0	25 ,,
		Gum Benjamin, cowrie	,,	63 0 0	25 ,,
		Gum Bysabol (coarse myrrh) ..	,,	23 0 0	25 ,,
		Gum Dammer (or Copal)	,,	25 0 0	25 ,,
		Gum Olibanum or frankincense ..	,,	10 12 0	25 ,,
		Gum Persian (false)	,,	11 0 0	25 ,,
		Myrrh	,,	23 0 0	25 ,,
		Rosin	,,	10 12 0	25 ,,
		HIDES AND SKINS, RAW.			
34	3	HIDES AND SKINS, raw or salted	....	....	Free.
		METALLIC ORES AND SCRAP IRON OR STEEL FOR RE-MANUFACTURE.			
35	58	IRON OR STEEL, old	....	*Ad valorem*	15⅝ per cent.
		Tariff value.			
		Iron or Steel, old	cwt.	1 9 0	15⅝ per cent.
36	4	METALLIC ORES, all sorts except ochres and other pigment ores.	....	....	Free.
		OILS.			
37	40	KEROSENE; also any mineral oil other than kerosene and motor spirit which has its flashing point below one hundred degrees of Fahrenheit's thermometer by Abel's close test.	Imperial gallon.	....	Three annas and nine pies.
38	40A	MOTOR SPIRIT	Imperial gallon.	....	Ten annas.
39	41	MINERAL OIL—			
		(1) which has its flashing point at or above two hundred degrees of Fahrenheit's thermometer, and is ordinarily used for the batching of jute or other fibre;	ton.	....	Rs. 15-10.
		(2) which has its flashing point at or above two hundred degrees of Fahrenheit's thermometer, and is such as is not ordinarily used for any other purpose than for lubrication;	Imperial gallon.	....	Two annas and one pie.
		(3) which has its flashing point at or above one hundred and fifty degrees of Fahrenheit's thermometer, and is such as is not ordinarily used except as fuel or for some sanitary or hygienic purposes.	....	*Ad valorem*	12½ per cent.
		Tariff value.			
		Mineral oil which has its flashing point at or above one hundred and fifty degrees of Fahrenheit's thermometer, and is such as is not ordinarily used except as fuel or for some sanitary or hygienic purposes, if imported in bulk.	ton.	42 8 0	12½ per cent.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		II.—Raw Materials and Produce and Articles Mainly Unmanufactured—*contd.*			
		OILS—*contd.*			
40	75	ALL SORTS OF ANIMAL, essential, mineral, and vegetable non-essential oils, not otherwise specified (*see* Serial Nos. 37, 38 and 39).	....	*Ad valorem*	25 per cent.
		Tariff values.			
		Cassia oil from Ceylon, Straits, China, Japan and the Far East.	lb.	1 3 0	25 per cent.
		Citronella oil from Ceylon, Straits, China, Japan and the Far East.	,,	1 8 0	25 ,,
		Coconut oil	cwt.	16 0 0	25 ,,
		Kajiputty oil from Ceylon, Straits, China, Japan and the Far East.	lb.	1 10 0	25 ,,
		Linseed oil, raw or boiled	Imperial gallon.	2 15 0	25 ,,
		Peppermint oil from Ceylon, Straits, China, Japan and the Far East.	lb.	3 12 0	25 ,,
		SEEDS.			
41	6	OIL-SEEDS imported into British India by sea from the territories of any Prince or Chief in India.	....	....	Free.
42	76	SEEDS, all sorts not otherwise specified* ..	....	*Ad valorem*	25 per cent.
		TALLOW, STEARINE AND WAX.			
43	6A	TALLOW	....	....	Free.
44	77	ALL SORTS OF STEARINE, wax, grease and animal fat not otherwise specified.	....	*Ad valorem*	25 per cent.
		Tariff values.			
		Mineral grease	lb.	0 3 3	25 per cent
		Vegetable wax, other than carnauba wax.	cwt.	40 0 0	25 ,,
		TEXTILE MATERIALS.			
45	41A	COTTON, raw	pound	....	Six pies.
46	78	TEXTILE MATERIALS, the following :— Silk waste, and raw silk including cocoons, raw flax, hemp, jute and all other unmanufactured textile materials not otherwise specified.	....	*Ad valorem*	Raw hemp—18¾ per cent., all others—25 per cent.
		Tariff values.			
		Coir fibre	cwt.	4 10 0	25 per cent.
		Hemp, raw	,,	17 0 0	18¾ ,,
		Silk, raw—			
		(*a*) Bokhara	lb.	12 0 0	25 ,,
		(*b*) Chinese—			
		Mathow	,,	2 10 0	25 ,,
		Panjam	,,	1 13 0	25 ,,
		White Shanghai, Thonkoon or Duppion.	,,	2 14 0	25 ,,
		White, Shanghai, other kinds.	,,	4 8 0	25 ,,
		White, other kinds ..	,,	4 8 0	25 ,,
		Yellow, Shanghai	,,	4 1 0	25 ,,
		Yellow, other kinds ..	,,	4 6 0	25 ,,
		(*c*) Persian	,,	7 0 0	25 ,,
		(*d*) Siam	,,	5 0 0	25 ,,
47	8	WOOL, raw, and wool-tops	....	....	Free.

* Under Government of India, Finance Department (Central Revenues) Notification No. 14, dated the 9th April 1932, tung oil seeds are exempt from payment of import duty for a period of three years from 17th October 1931.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		II.—Raw Materials and Produce and Articles Mainly Unmanufactured—*contd.*			
		WOOD AND TIMBER.			
48	49	FIREWOOD	....	*Ad valorem*	2½ per cent.
49	79	WOOD AND TIMBER, all sorts, not otherwise specified, including all sorts of ornamental wood.	....	*Ad valorem*	25 per cent.
		MISCELLANEOUS.			
50	80	CANES AND RATTANS	....	*Ad valorem*	25 per cent.
		Tariff values.			
		Canes—			
		Malacca	100 pieces.	22 8 0	25 per cent.
		Chimity	,,	9 8 0	25 ,,
		Tries	,,	6 8 0	25 ,,
		Root Moonah	,,	17 8 0	25 ,,
		Mannu	,,	15 0 0	25 ,,
		Pole, all kinds—			
		Not exceeding 10 feet in length. .	,,	55 0 0	25 ,,
		Exceeding 10 feet in length ..	,,	80 0 0	25 ,,
		Tohite	cwt.	20 0 0	25 ,,
		Rattans—			
		Chair	cwt.	18 12 0	25 ,,
		Basket	,,	9 8 0	25 ,,
		Outers	,,	67 0 0	25 ,,
		Inners	,,	46 0 0	25 ,,
51	81	COWRIES AND SHELLS	....	*Ad valorem*	25 per cent.
		Tariff values.			
		Cowries, bazar, common	cwt.	4 12 0	25 per cent.
		Cowries, yellow, superior quality ..	,,	5 4 0	25 ,,
		Cowries, Maldive	,,	19 4 0	25 ,,
		Cowries, Sankhli	,,	87 0 0	25 ,,
		Mother-of-pearl, nacre	,,	25 4 0	25 ,,
		Nakhla	,,	115 0 0	25 ,,
		Tortoise-shell	lb.	7 0 0	25 ,,
		Tortoise-shell, nakh	,,	2 0 0	25 ,,
52	82	IVORY, unmanufactured	....	*Ad valorem*	25 per cent.
		Tariff values.			
		Elephants' grinders	cwt.	300 0 0	25 per cent.
		Elephants' tusks (other than hollows, centres, and points), each exceeding 20 lb. in weight, and hollows, centres, and points each weighing 10 lb. and over.	,,	600 0 0	25 ,,
		Elephants' tusks (other than hollows, centres, and points), not less than 10 lb. and not exceeding 20 lb. each, and hollows, centres, and points each weighing less than 10 lb.	,,	525 0 0	25 ,,
		Elephants' tusks each less than 10 lb. (other than hollows, centres, and points).	,,	260 0 0	25 ,,
		Sea-cow or moye teeth, each not less than 4 lb.	,,	275 0 0	25 ,,
		Sea-cow or moye teeth, each not less than 3 lb. and under 4 lb.	,,	220 0 0	25 ,,
		Sea-cow or moye teeth, each less than 3 lb.	,,	130 0 0	25 ,,
53	9	MANURES, all sorts, including animal bones and the following chemical manures :—Basic slag, nitrate of ammonia, nitrate of soda, muriate of potash, sulphate of ammonia, sulphate of potash, kainit salts, carbo lime, urea, nitrate of lime, calcium cyanamide, ammonium phosphates, mineral phosphates and mineral superphosphates.	....	....	Free.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values	Duty.
				Rs. a. p.	
		II.—Raw Materials and Produce and Articles Mainly Unmanufactured—*concld.*			
		MISCELLANEOUS—*contd.*			
54	5	PRECIOUS STONES, unset and imported uncut, and Pearls, unset.	....	....	Free.
55	83	PRECIOUS STONES, unset and imported cut (*see* Serial No. 54).	....	*Ad valorem*	25 per cent.
56	10	RAGS and other paper-making materials, excluding wood pulp.	....	....	Free.
57	10A	RUBBER STUMPS, rubber seeds and raw rubber.	....	....	Free.
58	84	ALL OTHER RAW MATERIALS AND PRODUCE and articles mainly unmanufactured, not otherwise specified.*	....	*Ad valorem*	25 per cent.
		III.—Articles Wholly or Mainly Manufactured.			
		APPAREL.			
59	85	APPAREL, including drapery, and military and other uniforms and accoutrements, but excluding uniforms and accoutrements exempted from duty under Serial No. 60 and articles made of gold or silver thread, and articles made of silk or silk mixtures or of artificial silk or artificial silk mixtures, and boots and shoes.	....	*Ad valorem*	25 per cent.
59A	41B	BOOTS AND SHOES	....	*Ad valorem*	25 per cent. or 5 annas per pair, whichever is higher.
60	11	UNIFORMS AND ACCOUTREMENTS appertaining thereto, imported by a public servant for his personal use.	....	....	Free.
		ARMS, AMMUNITION AND MILITARY STORES.			
61	42	Subject to the exemptions specified in Serial No. 64—			
		(1) Firearms, including gas and air guns, gas and air rifles and gas and air pistols, not otherwise specified (*see* Serial Nos. 65 and 165).	each.	....	Rs. 18-12 }
		(2) Barrels for the same, whether single or double.	,,	....	Rs. 18-12 }
		(3) Main springs and magazine springs for firearms, including gas guns, gas rifles and gas pistols.	,,	....	Rs. 6-4 }
		(4) Gun stocks and breech blocks ..	,,	....	Rs. 3-12 }
		(5) Revolver-cylinders, for each cartridge they will carry.	,,	....	Rs. 2-8 }
		(6) Actions (including skeleton and waster) breech bolts and their heads, cocking pieces, and locks for muzzle loading arms.	,,	....	Re. 1-4 }
					or 37½ per cent. *ad valorem*, whichever is higher, *plus* 12½ per cent. *ad valorem*.
		(7) Machines for making, loading, or closing cartridges for rifled arms.	....	*Ad valorem*	50 per cent.
		(8) Machines for capping cartridges for rifled arms.	....	*Ad valorem*	50 per cent.
62	125	GUNPOWDER for cannons, rifles, guns, pistols and sporting purposes.	....	*Ad valorem*	50 per cent.

* Under Government of India, Finance Department (Central Revenues) Notification No. 14, dated the 9th April 1932, unmanufactured Mica is exempt from payment of import duty.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		ARMS, AMMUNITION AND MILITARY STORES—*contd.*			
63	126	Subject to the exemptions specified in Serial No. 64 all articles other than those specified in Serial Nos. 61, 65 and 165 which are arms or parts of arms within the meaning of the Indian Arms Act, 1878 (excluding springs used for air-guns which are dutiable as hardware under Serial No. 84), all tools used for cleaning or putting together the same, all machines for making, loading, closing or capping cartridges for arms other than rifled arms and all other sorts of ammunition and military stores, and any articles which the Governor-General in Council may, by notification in the *Gazette of India*, declare to be ammunition or military stores for the purposes of this Act.	....	*Ad valorem*	50 per cent.
64	12	The following ARMS, AMMUNITION AND MILITARY STORES:—	....	....	Free.
		(*a*) Arms forming part of the regular equipment of a commissioned or gazetted officer in His Majesty's Service entitled to wear diplomatic, military, naval, Royal Air Force or police uniform.			
		(*b*) A revolver and an automatic pistol and ammunition for such revolver and pistol up to a maximum of 100 rounds per revolver or pistol, (*i*) when accompanying a commissioned officer of His Majesty's regular forces, or of the Indian Auxiliary Force or the Indian Territorial Force or a gazetted police officer, or (*ii*) certified by the commandant of the corps to which such officer belongs, or, in the case of an officer not attached to any corps, by the officer commanding the station or district in which such officer is serving or, in the case of a police officer, by an Inspector-General or Commissioner of Police, to be imported by the officer for the purpose of his equipment.			
		(*c*) Swords for presentation as army or volunteer prizes.			
		(*d*) Arms, ammunition, and military stores imported with the sanction of the Government of India for the use of any portion of the military forces of a State in India being a unit notified in pursuance of the First Schedule to the Indian Extradition Act, 1903.			
		(*e*) Morris tubes and patent ammunition imported by officers commanding British and Indian regiments or volunteer corps for the instruction of their men.*			

* Under Government of India, Finance Department (Central Revenues) Notification No. 14, dated the 9th April 1932, ·22 inch Adapters imported by officers commanding a unit of the Army in India for the instruction of their men are also exempt from payment of import duty.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		ARMS, AMMUNITION AND MILITARY STORES—*concld.*			
65	86A	ORNAMENTAL ARMS of an obsolete pattern possessing only an antiquarian value; masonic and theatrical and fancy dress swords, provided they are virtually useless for offensive or defensive purposes; and *dahs* intended exclusively for domestic, agricultural and industrial purposes.	....	*Ad valorem*	25 per cent.
66	86	EXPLOSIVES, namely, blasting gunpowder, blasting gelatine, blasting dynamite, blasting roburite, blasting tonite, and all other sorts, including detonators and blasting fuse.*	....	*Ad valorem*	25 per cent.
		CHEMICALS, DRUGS AND MEDICINES.			
67	13	ANTI-PLAGUE SERUM	....	....	Free.
68	13A	BLEACHING PASTE AND BLEACHING POWDER.	....	....	Free.
68A	127	CAMPHOR	....	*Ad valorem*	50 per cent.
		Tariff values.			
		Camphor, refined, other than powder.	lb.	1 14 0	50 per cent.
		Camphor, powder, other than synthetic.	,,	1 6 0	50 ,,
		Camphor, synthetic, tablets and slabs.	,,	1 11 0	50 ,,
		Camphor, synthetic, powder ..	,,	1 1 0	50 ,,
69	50	COPPERAS, green	....	*Ad valorem*	2½ per cent.
		Tariff value.			
		Copperas, green, if imported in bulk.	cwt.	4 8 0	2½ per cent.
70	42B	OPIUM and its alkaloids and their derivatives.	seer of 80 tolas.	....	Rs. 30 or 18¾ per cent. *ad valorem*, whichever is higher.
71	14	CINCHONA BARK and the alkaloids extracted therefrom including Quinine and alkaloids derived from other sources which are chemically identical with alkaloids extracted from cinchona bark.	....	....	Free.
72	141B	HEAVY CHEMICALS, the following:—			
		(1) Acid, hydrochloric	cwt.	....	Rs. 3-3-3.
		(2) Acid, nitric—			
		having a density at 15° C. of not more than 1.42 grammes per cubic centimetre;	cwt.	....	Rs. 4-8-6.
		having a density at 15° C. of more than 1.42 grammes per cubic centimetre.	cwt.	....	Rs. 6-7-9.
		(3) Acid, sulphuric	cwt.	....	Re. 1-9-0.
		(4) Alum, namely, ammonia alum, potash alum or soda alum.	cwt.	....	Re. 1-2-9.
		(5) Aluminium sulphate or hydrated aluminium sulphate including alumino-ferric and alum cake—			
		containing not more than 0.01 per cent. of iron;	cwt.	....	Re. 1-0-3.
		containing more than 0.01 per cent. of iron.	cwt.	....	Re. 0-11-3.

* Under Government of India, Finance Department (Central Revenues) Notification No. 14, dated the 9th April 1932, certain specified explosives specially adapted for use in dangerous coal mines are exempt from payment of import duty.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		CHEMICALS, DRUGS AND MEDICINES —*contd.*			
72—*contd*	141B	HEAVY CHEMICALS—*contd.*			
		(6) Copper sulphate or hydrated copper sulphate	cwt.	....	Rs. 3-12-0.
		(7) Magnesium chloride	cwt.	....	Re. 0-8-9.
		(8) Magnesium sulphate or hydrated magnesium sulphate—			
		containing not more than 50 per cent. of magnesium sulphate;	cwt.	....	Re. 1-9-0.
		containing more than 50 per cent. of magnesium sulphate.	cwt.	....	Rs. 3-2-0.
		(9) Sodium sulphate or hydrated sodium sulphate—			
		containing not more than 50 per cent. of sodium sulphate;	cwt.	....	Re. 0-7-6.
		containing more than 50 per cent. of sodium sulphate.	cwt.	....	Re. 1-0-3.
		(10) Sodium sulphide or hydrated sodium sulphide.	cwt.	....	Re. 1-12-9.
		(11) Zinc chloride or zinc chloride solution:	cwt.	....	Rs. 5-6-3.
		Provided that the duty on any article included in this item shall in no case be less than the duty which would be charged if the article were included in Part V of the Statutory Schedule (*i.e.*, 25 per cent. *ad valorem*).			
73	14B	SULPHUR	....	....	Free.
74	88	CHEMICALS, DRUGS AND MEDICINES, all sorts, not otherwise specified.*	....	*Ad valorem*	25 per cent.
		Tariff values.			
		Alkali, Indian (sajji-khar)	cwt.	3 8 0	25 per cent.
		Ammonia gas, anhydrous, including compressed or liquefied gas.	lb.	0 9 0	25 „
		Ammonium carbonate or bicarbonate	cwt.	24 0 0	25 „
		Ammonium chloride—			
		Muriate of Ammonia, crystalline..	„	15 0 0	25 „
		Salammoniac, sublimed	„	23 8 0	25 „
		Other sorts, including compressed.	„	17 8 0	25 „
		Arsenic (China mansil)	„	55 0 0	25 „
		Calcium carbide	„	14 0 0	25 „
		Calcium chloride	„	4 4 0	25 „
		Carbonic acid gas including compressed or liquefied gas.	lb.	0 3 6	25 „
		Chlorate of potash	cwt.	20 0 0	25 „
		Chlorine	lb.	0 5 6	25 „
		Menthol (peppermint) crystals ..	oz.	0 12 0	25 „
		Naphthalene balls	cwt.	12 8 0	25 „
		Potassium bichromate	„	30 0 0	25 „
		Soda ash including calcined natural soda and manufactured sesquicarbonates.	„	6 0 0	25 „
		Soda, caustic, flake	„	14 0 0	25 „
		Soda, caustic, powdered	„	14 4 0	25 „
		Soda, caustic, solid	„	11 0 0	25 „
		Soda crystals	„	6 8 0	25 „
		Sodium bicarbonate	„	7 8 0	25 „
		Sodium bichromate	„	24 8 0	25 „
		Sodium silicate (in liquid form) ..	„	8 0 0	25 „
		Tartaric acid in kegs or in bulk ..	„	84 0 0	25 „
		Trona or natural soda uncalcined ..	„	4 0 0	25 „
		Asafœtida (hing)	„	93 0 0	25 „
		Asafœtida, coarse (hingra)	„	28 0 0	25 „

* Under Government of India, Finance Department (Central Revenues) Notification No. 14, dated the 9th April 1932, calcium acetate and radium salts are exempt from payment of import duty.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		CHEMICALS, DRUGS AND MEDICINES —*concld.*			
74—*contd*	88	*Tariff values—contd.*			
		Banslochan (bamboo camphor) ..	lb.	1 4 0	25 per cent.
		Calumba root	cwt.	5 0 0	25 „
		China root (Chobchini) rough ..	„	15 0 0	25 „
		China root (Chobchini) scraped ..	„	27 0 0	25 „
		Cubebs	„	52 0 0	25 „
		Galangal, China	„	11 4 0	25 „
		Salep	„	200 0 0	25 „
		Storax, liquid (rose mellos or salaras).	„	30 8 0	25 „
		CONVEYANCES.			
75	142	COAL-TUBS, tipping wagons and the like conveyances designed for use on light rail track, if adapted to be worked by manual or animal labour and if made mainly of iron or steel ; and component parts thereof made of iron or steel—			
		(*a*) if of British manufacture	ton	....	Rs. 26-4-0 or 21¼ per cent. *ad valorem*, whichever is higher.
		(*b*) if not of British manufacture ..	ton	....	Rs. 26-4-0 or 21¼ per cent. *ad valorem*, whichever is higher, *plus* Rs. 18-12-0 per ton.
76	87	CONVEYANCES not specified in Serial No. 75, namely, tramcars, motor-omnibuses, motor-lorries, motor-vans, passenger lifts, carriages, carts, jinrikshas, bath-chairs, perambulators, trucks, wheelbarrows, bicycles, tricycles and all other sorts of conveyances not otherwise specified, and component parts and accessories thereof, except such parts and accessories of the motor vehicles above mentioned as are also adapted for use as parts or accessories of motor cars, motor cycles or motor scooters (*see* Serial No. 77).	....	*Ad valorem*	25 per cent.
77	42A	MOTOR CARS, MOTOR CYCLES, AND MOTOR SCOOTERS, AND ARTICLES (other than rubber tyres and tubes) adapted for use as parts and accessories thereof : provided that such articles as are ordinarily also used for other purposes than as parts and accessories of motor vehicles included in this item or in Serial No. 76 shall be dutiable at the rate of duty specified for such articles.	....	*Ad valorem*	37½ per cent.
		CUTLERY, HARDWARE, IMPLEMENTS AND INSTRUMENTS.			
78	15	The following AGRICULTURAL IMPLEMENTS, namely, winnowers, threshers, mowing and reaping machines, binding machines, elevators, seed and corn crushers, chaff-cutters, root-cutters, ensilage-cutters, horse and bullock gears, ploughs, cultivators, scarifiers, harrows, clod-crushers, seed-drills, hay-tedders, hay presses, potato diggers, latex spouts, spraying machines, powder-blowers, white-ant exterminating	....	....	Free.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		CUTLERY, HARDWARE, IMPLEMENTS AND INSTRUMENTS—*contd.*			
78—*contd*		machines, beet pullers, broadcast seeders, corn pickers, corn shellers, culti-packers, drag scrapers, stalk cutters, huskers and shredders, potato planters, lime sowers, manure spreaders, listers, soil graders and rakes; also agricultural tractors; also component parts of these implements, machines or tractors, provided that they can be readily fitted into their proper places in the implements, machines or tractors for which they are imported, and that they cannot ordinarily be used for purposes unconnected with agriculture.*			
79	129	ARTICLES PLATED WITH GOLD AND SILVER, excluding surgical instruments.†	....	*Ad valorem*	50 per cent.
80	128	CLOCKS AND WATCHES and parts thereof..	....	*Ad valorem*	50 per cent.
81	89	CUTLERY, excluding plated cutlery (*see* Serial No. 79).	....	*Ad valorem*	25 per cent.
82	16	The following DAIRY AND POULTRY FARMING APPLIANCES, namely, cream separators, milking machines, milk sterilizing or pasteurizing plant, milk aerating and cooling apparatus, churns, butter dryers, butter workers, milk-bottle fillers and cappers, apparatus specially designed for testing milk and other dairy produce, and incubators; also component parts of these appliances, provided that they can be readily fitted into their proper places in the appliances for which they are imported, and that they cannot ordinarily be used for other than dairy and poultry farming purposes.	....	....	Free.
82A	90B	DOMESTIC REFRIGERATORS	....	*Ad valorem*	25 per cent.
82B	128A	ELECTRIC BULBS	....	*Ad valorem*	50 per cent.
83	90A	ELECTRICAL CONTROL GEAR AND TRANSMISSION GEAR, namely, switches, fuses and current-breaking devices of all sorts and descriptions, designed for use in circuits of less than ten *amperes* and at a pressure not exceeding 250 volts, and regulators for use with motors designed to consume less than 187 watts; bare or insulated copper wires and cables, any one core of which, not being one specially designed as a pilot core, has a sectional area of less than one-eightieth part of a square inch, and wires and cables of other metals of not more than equivalent conductivity; and line insulators, including also cleats, connectors, leading	....	*Ad valorem*	25 per cent.

* Under Government of India, Finance Department (Central Revenues) Notification No. 14, dated the 9th April 1932, the following agricultural machines and implements, namely, flame throwers for attachment to spraying machines designed for the extermination of locusts, and latex cups, are exempt from payment of import duty.

† Under Government of India, Finance Department (Central Revenues) Notification No. 14, dated the 9th April 1932, read with section 4 of the Indian Finance (Supplementary and Extending) Act, 1931, articles of imitation jewellery (including buttons and other fasteners), which consist of, or include, base metal plated with gold or silver and in which the proportion of precious metal to total metallic contents is less than 1.5 per cent. are liable to duty at 25 per cent. *ad valorem*.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—**Articles Wholly or Mainly Manufactured**—*contd.*			
		CUTLERY, HARDWARE, IMPLEMENTS AND INSTRUMENTS—*concld.*			
83—*contd*		in tubes and the like, of types and sizes such as are ordinarily used in connection with the transmission of power for other than industrial purposes, and the fittings thereof.			
84	90	HARDWARE, IRONMONGERY AND TOOLS, all sorts, not otherwise specified.	....	*Ad valorem*	25 per cent.
		Tariff value,			
		Crown corks	gross	0 10 0	25 per cent.
85	17	INSTRUMENTS, APPARATUS AND APPLIANCES, imported by a passenger as part of his personal baggage and in actual use by him in the exercise of his profession or calling.	....	....	Free.
86	130	MUSICAL INSTRUMENTS and parts thereof.	....	*Ad valorem*	50 per cent.
87	59	TELEGRAPHIC INSTRUMENTS AND APPARATUS, and parts thereof imported by, or under the orders of, a Railway Administration.	....	*Ad valorem*	15⅝ per cent.
88	18	WATER-LIFTS, SUGAR-MILLS, SUGAR CENTRIFUGES, SUGAR PUG-MILLS, OIL-PRESSES, and parts thereof, when constructed so that they can be worked by manual or animal power, and pans for boiling sugar-cane juice.	....	....	Free.
88A	43	WIRELESS RECEPTION INSTRUMENTS AND APPARATUS, and component parts thereof, including all electric valves, amplifiers and loudspeakers which are not specially designed for purposes other than wireless reception or are not original parts of and imported along with instruments or apparatus so designed.*	....	*Ad valorem*	50 per cent.
89	91	ALL OTHER SORTS OF IMPLEMENTS, INSTRUMENTS, APPARATUS AND APPLIANCES (including plated surgical instruments) and parts thereof, not otherwise specified.*	....	*Ad valorem*	25 per cent.
		DYES AND COLOURS.			
90	58A	DYES derived from coal-tar and coal-tar derivatives, used in any dyeing process.	....	*Ad valorem*	10 per cent.
		Tariff values.			
		Alizarine, moist—			
		(*a*) not exceeding 16 per cent. ..	cwt.	50 0 0	10 per cent.
		(*b*) over 16 per cent. not exceeding 20 per cent.	,,	60 0 0	10 ,,
		(*c*) exceeding 20 per cent. ..	,,	120 0 0	10 ,,

* Under Government of India, Finance Department (Central Revenues) Notification No. 14, dated the 9th April 1932, read with section 4 of the Indian Finance (Supplementary and Extending) Act, 1931, the following wireless apparatus is liable to duty at 3½ per cent. *ad valorem* :—(*i*) apparatus for wireless reception [excluding apparatus specially designed for the reception of broadcast wireless and apparatus of the description specified in clause (*ii*)] and component parts of such apparatus, when imported under cover of a certificate issued by the Director-General of Posts and Telegraphs to the effect that he is satisfied that the apparatus to be imported is for use in commercial wireless communication ; (*ii*) apparatus for wireless reception incorporated in a single unit with transmitting apparatus ; (*iii*) wireless transmission apparatus and component parts thereof : provided that nothing shall be deemed to be a component part of apparatus for wireless telegraphy or telephony for the purpose of this Notification unless it is essential for the working of such apparatus and has been given for that purpose some special shape or quality that would not be essential for its use for any other purpose,

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		DYES AND COLOURS—*contd.*			
90—*contd*		*Tariff values*—contd.			
		Alizarine, dry—			
		(*a*) not exceeding 40 per cent. ..	lb.	1 8 0	10 per cent.
		(*b*) exceeding 40 per cent. ..	,,	3 0 0	10 ,,
		Congo red	,,	0 10 0	10 ,,
		Coupling dyes of the naphthol group—			
		(*a*) Naphthols, rapid fast colours (rapid salts) and bases.	,,	5 0 0	10 ,,
		(*b*) Other salts	,,	1 12 0	10 ,,
		Vats—			
		(*a*) Indigo	,,	1 4 0	10 ,,
		(*b*) Other sorts—			
		(*i*) Paste	,,	2 8 0	10 ,,
		(*ii*) Powder	,,	8 0 0	10 ,,
		Sulphur black	,,	0 7 0	10 ,,
		Metanil yellow	,,	0 13 0	10 ,,
		Auramine of concentration of 15 per cent. or less.	,,	0 11 0	10 ,,
		Rhodamine of concentration of 15 per cent. or less (Carthamines).	,,	0 11 0	10 ,,
		Aniline salts	,,	0 7 0	10 ,,
		All others	,,	1 5 0	10 ,,
91	92	DYEING AND TANNING SUBSTANCES, all sorts not otherwise specified and paints and colours and painters' materials, all sorts.	....	*Ad valorem*	25 per cent.
		Tariff values.			
		Cochineal	lb.	1 7 0	25 per cent.
		Gallnuts, Persian	cwt.	46 8 0	25 ,,
		Gamboge	lb.	1 6 0	25 ,,
		Turmeric	cwt.	25 0 0	25 ,,
		Vermilion, Canton	box of 90 bundles.	250 0 0	25 ,,
		FURNITURE, CABINETWARE AND MANUFACTURES OF WOOD.			
92	93	FURNITURE, CABINETWARE and all other manufactures of wood not otherwise specified.	....	*Ad valorem*	25 per cent.
		GLASSWARE AND EARTHENWARE.			
93	94	GLASS AND GLASSWARE, lacquered ware, earthenware, china and porcelain; all sorts except glass bangles and beads and false pearls (*see* Serial No. 129A).	....,	*Ad valorem*	25 per cent.
		Tariff values.			
		Aerated water bottles, empty—			
		Codd's pattern—			
		Under 10 ozs.	gross	26 0 0	25 per cent.
		10 ozs.	,,	27 0 0	25 ,,
		Over 10 ozs.	,,	29 0 0	25 ,,
		Crown cork pattern—			
		7 ozs. and under	,,	15 8 0	25 ,,
		Over 7 ozs. up to and including 10 ozs.	,,	17 12 0	25 ,,
*		Over 10 ozs.	,,	20 0 0	25 ,,
		HIDES AND SKINS AND LEATHER.			
95	95	HIDES AND SKINS not otherwise specified, Leather and Leather Manufactures, all sorts, not otherwise specified.	....	*Ad valorem*	25 per cent.

* There is no entry bearing Serial No. 94.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		MACHINERY.			
96	59A	MACHINERY, namely, such of the following articles as are not otherwise specified :—	....	*Ad valorem*	10 per cent.
		(1) prime-movers, boilers, locomotive engines and tenders for the same, portable engines (including power-driven road rollers, fire engines and tractors), and other machines in which the prime-mover is not separable from the operative parts;			
		(2) machines and sets of machines to be worked by electric, steam, water, fire or other power, not being manual or animal labour, or which before being brought into use require to be fixed with reference to other moving parts;			
		(3) apparatus and appliances, not to be operated by manual or animal labour, which are designed for use in an industrial system as parts indispensable for its operation and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose;			
		(4) control gear, self-acting or otherwise, and transmission-gear designed for use with any machinery above specified, including belting of all materials (other than cotton, hair and canvas ply) and driving chains, but excluding driving ropes not made of cotton;			
		(5) bare hard-drawn electrolytic copper wires and cables and other electrical wires and cables, insulated or not, and poles, troughs, conduits and insulators designed as parts of a transmission system, and the fittings thereof.			
		Note.—The term "industrial system" used in sub-clause (3) means an installation designed to be employed directly in the performance of any process or series of processes necessary for the manufacture, production or extraction of any commodity.			
97	59B	The following TEXTILE MACHINERY AND APPARATUS by whatever power operated, namely, healds, heald cords and heald knitting needles; reeds and shuttles; warp and weft preparation machinery and looms; bobbins and pirns; dobbies; Jacquard machines; Jacquard harness linen cords; Jacquard cards; punching plates for Jacquard cards; warping mills; multiple box sleys; solid border sleys; tape sleys; swivel sleys; tape looms; wool carding machines; wool spinning ma-	....	*Ad valorem*	10 per cent.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		MACHINERY—*contd.*			
97—*contd*		chines; hosiery machinery; coir mat shearing machines; coir fibre willowing machines; heald knitting machines; dobby cards; lattices and lags for dobbies; wooden winders; silk looms; silk throwing and reeling machines; cotton yarn reeling machines; sizing machines; doubling machines; silk twisting machines; cone winding machines; piano card cutting machines; harness building frames; card lacing frames; drawing and denting hooks; sewing thread balls making machines; cumbli finishing machinery; hank boilers; cotton carding and spinning machines; mail eyes, lingoes, comber boards and comber board frames; take-up motions; temples and pickers; picking bands; picking sticks; printing machines; roller cloth; clearer cloth; sizing flannel; and roller skins.			
98	59C	PRINTING AND LITHOGRAPHIC MATERIAL, namely, presses, lithographic plates, composing sticks, chases, imposing tables, lithographic stones, stereo. blocks, wood blocks, half-tone blocks, electrotype blocks, process blocks and highly polished copper or zinc sheets specially prepared for making process blocks, roller moulds, roller frames and stocks, roller composition, lithographic nap rollers, standing screw and hot presses, perforating machines, gold blocking presses, galley presses, proof presses, arming presses, copper-plate printing presses, rolling presses, ruling machines, ruling pen-making machines, lead cutters, rule cutters, slug cutters, type casting machines, type setting and casting machines, paper in rolls with side perforations to be used after further perforation for type-casting, rule bending machines, rule mitreing machines, bronzing machines, stereotyping apparatus, paper folding machines, paging machines and clarified liquid glue but excluding ink and paper.	....	*Ad valorem*	10 per cent.
99	59D	COMPONENT PARTS OF MACHINERY, as defined in Serial Nos. 96, 97 and 98, namely, such parts only as are essential for the working of the machine or apparatus and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose: Provided that articles which do not satisfy this condition shall also be deemed to be component parts of the machine to which they belong if they are essential to its operation and are imported with it in such quantities as may appear to the Collector of Customs to be reasonable.	....	*Ad valorem*	10 per cent.
99A	43A	COTTON, HAIR AND CANVAS PLY BELTING for machinery.	....	*Ad valorem*	6½ per cent.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		MACHINERY—*concld.*			
99B	43B	RUBBER-INSULATED COPPER WIRES AND CABLES, no core of which, other than one specially designed as a pilot core, has a sectional area of less than one-eightieth part of a square inch, whether made with any additional insulating or covering material or not.	....	*Ad valorem*	6½ per cent.
100	96	MACHINERY AND COMPONENT PARTS THEREOF, meaning machines or parts of machines to be worked by manual or animal labour, not otherwise specified and any machines (except such as are designed to be used exclusively in industrial processes) which require for their operation less than one quarter of one brake-horse-power.	....	*Ad valorem*	25 per cent.
		METALS, IRON AND STEEL.			
101*a*	60	IRON ALLOYS	....	*Ad valorem*	15⅝ per cent.
101*b*	143	IRON ANGLE, channel and tee—			
		(*a*) fabricated, all qualities—			
		(*i*) of British manufacture ..	ton	....	Rs. 26·4 or 21½ per cent. *ad valorem*, whichever is higher.
		(*ii*) not of British manufacture .	ton	....	Rs. 26·4 or 21½ per cent. *ad valorem*, whichever is higher, *plus* Rs. 18-12 per ton.
		(*b*) not fabricated, kinds other than galvanized, tinned or lead-coated and other than Crown or superior qualities—			
		(*i*) of British manufacture ..	ton	....	Rs. 23-12.
		(*ii*) not of British manufacture .	ton	....	Rs. 37-8.
101*c*	60	IRON ANGLE, channel and tee not otherwise specified (*see* Serial No. 101*b*). *Tariff values.*	....	*Ad valorem*	15⅝ per cent.
		Angle, channel and tee—			
		Crown and superior qualities, not fabricated	ton	210 0 0	15⅝ per cent.
		Other kinds, not fabricated, if galvanized, tinned, or lead-coated.	„	210 0 0	15⅝ „
101*d*	144	IRON, common bar not galvanized, tinned or lead-coated if not of any shape and dimension specified in clause (*a*) or clause (*c*) of Serial No. 102*c*—			
		(*i*) of British manufacture.. ..	ton	....	Rs. 32·8.
		(*ii*) not of British manufacture ..	ton	....	Rs. 46·4.
101*e*	60	IRON BAR AND ROD not otherwise specified (*see* Serial No. 101*d*). *Tariff values.*	....	*Ad valorem*	15⅝ per cent.
		Bar and rod—			
		Qualities superior to Grade A of the British Engineering Standard Association.	ton	375 0 0	15⅝ per cent.
		Grade A of the British Engineering Standard Association and Crown quality and intermediate qualities—			
		Over ½ inch in diameter or thickness.	„	210 0 0	15⅝ „
		½ inch and under in diameter or thickness.	„	240 0 0	15⅝ „
		Common, if galvanized, tinned, or lead-coated.	„	220 0 0	15⅝ „

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		METALS, IRON AND STEEL—*contd.*			
101*f*	60	IRON, pig	....	*Ad valorem*	15⅝ per cent.
		Tariff value.			
		Iron, pig	ton	73 0 0	15⅝ per cent.
101*g*	60	IRON RICE BOWLS	....	*Ad valorem*	15⅝ per cent.
		Tariff value.			
		Iron rice bowls	cwt.	19 8 0	15⅝ per cent.
102*a*	62	STEEL, angle and tee, if galvanized, tinned or lead-coated.	....	*Ad valorem*	15⅝ per cent.
		Tariff value.			
		Angle and tee, if galvanized, tinned or lead-coated, not fabricated.	ton	210 0 0	15⅝ per cent.
102*b*	151	STEEL, angle and tee, not otherwise specified (*see* Serial No. 102*a*) and beam, channel, zed, trough and piling—			
		(*a*) fabricated—			
		(*i*) of British manufacture ..	ton	....	Rs. 26-4 or 21¼ per cent. *ad valorem*, whichever is higher.
		(*ii*) not of British manufacture .	ton	....	Rs. 26-4 or 21¼ per cent. *ad valorem*, whichever is higher, *plus* Rs. 18-12 per ton.
		(*b*) not fabricated—			
		(*i*) of British manufacture ..	ton	....	Rs. 23-12.
		(*ii*) not of British manufacture .	ton	....	Rs. 37-8.
102*c*	62	STEEL, bar and rod, the following kinds—	....	*Ad valorem*	15⅝ per cent.
		(*a*) shapes specially designed for the reinforcement of concrete, if the smallest dimension is under ½ inch;			
		(*b*) all shapes and sizes, if—			
		(*i*) of alloy, crucible, shear, blister or tub steel, or			
		(*ii*) galvanized or coated with other metals, or			
		(*iii*) planished or polished, including bright steel shafting;			
		(*c*) other qualities, if of any of the following shapes and sizes—			
		(*i*) rounds not over 7/16 inch diameter,			
		(*ii*) squares not over 7/16 inch side,			
		(*iii*) flats, if under 1 inch wide and not over ⅛ inch thick,			
		(*iv*) flats not under 8 inches wide and not over ½ inch thick,			
		(*v*) ovals, if the dimension of the major axis is not less than twice that of the minor axis,			
		(*vi*) all other shapes, any size.			
		Tariff values.			
		Bar and rod—			
		Galvanized or coated with other metals, all shapes and sizes.	ton	210 0 0	15⅝ per cent.
		Planished or polished, including bright steel shafting, all shapes and sizes.	„	200 0 0	15⅝ „
102*d*	152	STEEL, BAR AND ROD, not otherwise specified (*see* Serial No. 102*c*)—			
		(*i*) of British manufacture.. ..	ton	....	Rs. 32-8.
		(*ii*) not of British manufacture ..	ton	....	Rs. 46-4.
102*e*	62	STEEL (other than bars), alloys, crucible, shear, blister and tub.	....	*Ad valorem*	15⅝ per cent.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		METALS, IRON AND STEEL—*contd.*			
102*f*	62	STEEL (other than bars) made for springs and cutting tools by any process.	....	*Ad valorem*	15⅝ per cent.
102*g*	62	STEEL, ingots, blooms and billets, and slabs of a thickness of 1½ inches or more.	....	*Ad valorem*	15⅝ per cent
102*h*	153	STEEL STRUCTURES, fabricated partially or wholly, not otherwise specified, if made mainly or wholly of steel bars, sections, plates or sheets, for the construction of buildings, bridges, tanks, well curbs, trestles, towers and similar structures or for parts thereof, but not including builders' hardware (*see* Serial No. 84) or any of the articles specified in Serial Nos. 76, 96, 99 or 159—			
		(*i*) of British manufacture.. ..	ton	....	Rs. 26-4 or 21¼ per cent. *ad valorem*, whichever is higher.
		(*ii*) not of British manufacture ..	ton	....	Rs. 26-4 or 21¼ per cent. *ad valorem*, whichever is higher, *plus* Rs. 18-12 per ton.
102*i*	154	STEEL, tinplates and tinned sheets, including tin taggers and cuttings of such plates, sheets or taggers.	ton	....	Rs. 60.
103*a*	61	IRON OR STEEL anchors and cables ..	....	*Ad valorem*	15⅝ per cent.
103*b*	145	IRON OR STEEL BOLTS AND NUTS, including hook-bolts and nuts for roofing and fish bolts and nuts.	cwt.	....	Rs. 2-13.
103*c*	61	IRON OR STEEL expanded metal	....	*Ad valorem*	15⅝ per cent.
103*d*	61	IRON OR STEEL hoops and strips	....	*Ad valorem*	15⅝ per cent.
103*e*	145A	IRON OR STEEL rivets	cwt.	....	Rs. 2-8.
103*f*	61	IRON OR STEEL nails and washers, all sorts, not otherwise specified.	....	*Ad valorem*	15⅝ per cent.
		Tariff values.			
		Nails and washers—			
		Nails, rose, deck, and flat-headed	cwt.	16 0 0	15⅝ per cent.
		Nails, bullock and horse-shoe ..	,,	36 8 0	15⅝ ,,
		Panel pins, 16 gauge and smaller .	,,	12 0 0	15⅝ ,,
		Washers, black, structural ..	,,	9 12 0	15⅝ ,,
103*g*	146	IRON OR STEEL PIPES AND TUBES AND FITTINGS THEREFOR, if riveted or otherwise built up of plates or sheets—			
		(*a*) galvanized*	ton	....	Rs. 41-4 or 21¼ per cent. *ad valorem*, whichever is higher.

* Under Government of India, Commerce Department Notification No. 260-T. (127), dated the 30th December 1930, as amended by Notification No. 260-T. (127), dated the 21st March 1931 and Notification No. 260-T. (135), dated the 30th March 1932 and read with section 4 of the Indian Finance (Supplementary and Extending) Act, 1931, galvanized iron or steel pipes and tubes and fittings therefor, if riveted or otherwise built up of plates or sheets, are liable to duty at Rs. 91-4 per ton or 21¼ per cent. *ad valorem*, whichever is higher, till the 31st March 1933.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		METALS, IRON AND STEEL—*contd.*			
103*g* *contd.*		(*b*) not galvanized—			
		(*i*) not under ⅛ inch thick—			
		of British manufacture..	ton	....	Rs. 26-4 or 21¼ per cent. *ad valorem*, whichever is higher.
		not of British manufacture.	ton	....	Rs. 26-4 or 21¼ per cent. *ad valorem*, whichever is higher, *plus* Rs. 18-12 per ton.
		(*ii*) under ⅛ inch thick—			
		of British manufacture..	ton	....	Rs. 48-12 or 21¼ per cent. *ad valorem*, whichever is higher.
		not of British manufacture.	ton	....	Rs. 48-12 or 21¼ per cent. *ad valorem*, whichever is higher, *plus* Rs. 32-8 per ton.
103*h*	61	IRON OR STEEL PIPES AND TUBES; also fittings therefor, that is to say, bends, boots, elbows, tees, sockets, flanges, plugs, valves, cocks and the like, excluding pipes, tubes and fittings therefor otherwise specified (*see* Serial No. 103*g*).	....	*Ad valorem*	15⅝ per cent.
103*i*	147	IRON OR STEEL PLATES OR SHEETS (including cuttings, discs and circles) not under ⅛ inch thick and not of cast iron—			
		(*a*) fabricated, all qualities—			
		(*i*) of British manufacture ..	ton	....	Rs. 26-4 or 21¼ per cent. *ad valorem* whichever is higher.
		(*ii*) not of British manufacture	ton	....	Rs. 26-4 or 21¼ per cent. *ad valorem*, whichever is higher, *plus* Rs. 18-12 per ton.
		(*b*) not fabricated, chequered and ship, tank, bridge and common qualities—			
		(*i*) of British manufacture ..	ton	....	Rs. 25.
		(*ii*) not of British manufacture.	ton	....	Rs. 45.
103*j*	61	IRON OR STEEL PLATES AND SHEETS (including cuttings, discs and circles) not under ⅛ inch thick, not otherwise specified (*see* Serial Nos. 102*h*, 102*i*, 103*g*, and 103*i*), whether fabricated or not.	....	*Ad valorem*	15⅝ per cent.
		Tariff values.			
		Plates and sheets (including cuttings, discs and circles) not under ⅛ inch thick—			
		Boiler fire-box and special qualities, not fabricated.	ton	240 0 0	15⅝ per cent.
		Galvanized, plain, not fabricated.	„	205 0 0	15⅝ „
103*k*	61	IRON OR STEEL SHEETS (including cuttings, discs and circles) under ⅛ inch thick, whether fabricated or not, if coated with metals other than tin or zinc.	....	*Ad valorem*	15⅝ per cent.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		METALS, IRON AND STEEL—*contd.*			
103*l*	148	IRON OR STEEL SHEETS (including cuttings, discs and circles) under ⅛ inch thick—			
		(*a*) fabricated—			
		(*i*) galvanized*	ton	....	Rs. 41-4 or 21½ per cent. *ad valorem*, whichever is higher.
		(*ii*) all other sorts not otherwise specified (*see* Serial No. 103*k*)—			
		of British manufacture ..	ton	....	Rs. 48-12 or 21½ per cent. *ad valorem*, whichever is higher.
		not of British manufacture.	ton	....	Rs. 48-12 or 21½ per cent. *ad valorem*, whichever is higher, *plus* Rs. 32-8 per ton.
		(*b*) not fabricated—			
		(*i*) galvanized*	ton	....	Rs. 37-8.
		(*ii*) all other sorts not otherwise specified (*see* Serial Nos. 102*i* and 103*k*)—			
		of British manufacture..	ton	....	Rs. 43-12.
		not of British manufacture.	ton	....	Rs. 73-12.
103*m*	150	IRON OR STEEL RAILWAY TRACK MATERIAL—			
		A. Rails (including tramway rails the heads of which are not grooved)—			
		(*a*) (*i*) 30 lbs. per yard and over ..	ton	....	Rs. 16-4.
		(*ii*) fish-plates therefor	ton	....	Rs. 7-8 or 12½ per cent. *ad valorem*, whichever is higher.
		(*b*) under 30 lbs. per yard, and fish-plates therefor—			
		if of British manufacture ..	ton	....	Rs. 32-8.
		if not of British manufacture.	ton	....	Rs. 46-4.
		B. Switches and crossings including stretcher bars and other component parts, and switches and crossings including stretcher bars and other component parts for tramway rails the heads of which are not grooved—			
		(*i*) for rails 30 lbs. per yard and over.	ton	....	Rs. 17-8 or 21½ per cent. *ad valorem*, whichever is higher.
		(*ii*) for rails under 30 lbs. per yard—			
		of British manufacture ..	ton	....	Rs. 36-4 or 21½ per cent. *ad valorem*, whichever is higher.
		not of British manufacture .	ton	....	Rs. 36-4 or 21½ per cent. *ad valorem*, whichever is higher, *plus* Rs. 15 per ton.

* Under Government of India, Commerce Department Notification No. 260-T. (127), dated the 30th December 1930, as amended by Notification No. 260-T. (127), dated the 21st March 1931, and Notification No. 260-T. (135), dated the 30th March 1932, and read with section 4 of the Indian Finance (Supplementary and Extending) Act, 1931, galvanized iron or steel sheets (including cuttings, discs and circles) under ½ inch thick are liable to duty, if fabricated, at Rs. 91-4 per ton or 21½ per cent. *ad valorem*, whichever is higher, and if not fabricated, at Rs. 82-12 per ton, till the 31st March 1933.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		METALS, IRON AND STEEL—*contd.*			
103*m* *contd*	150	IRON OR STEEL RAILWAY TRACK MATERIAL—*contd.*			
		C. Sleepers, other than cast iron ..	ton	....	Rs. 12·8 or 12½ per cent. *ad valorem*, whichever is higher.
		D. Spikes (other than dogspikes) and tie-bars—			
		of British manufacture	ton	....	Rs. 32·8.
		not of British manufacture ..	ton	....	Rs. 46·4.
		E. Dogspikes	cwt.	....	Rs. 2·13.
		F. Gibs, cotters, keys, distance pieces and other fastenings for use with iron or steel sleepers.	cwt.	....	Rs. 2·8.
103*n* *	61	IRON OR STEEL RAILWAY TRACK MATERIAL not otherwise specified including bearing plates, cast iron sleepers and lever-boxes.	....	*Ad valorem*	15⅝ per cent.
103*p*	61	IRON OR STEEL TRAMWAY TRACK MATERIAL, not otherwise specified (*see* Serial No. 103*m*), including rails, fish-plates, tie-bars, switches, crossings and the like materials of shapes and sizes specially adapted for tramway tracks.	....	*Ad valorem*	15⅝ per cent.
103*q*	61	IRON OR STEEL BARBED OR STRANDED fencing-wire and wire-rope.	....	*Ad valorem*	15⅝ per cent.
103*r*	149	IRON OR STEEL— (*a*) wire, other than barbed or stranded fencing-wire, wire-rope or wire-netting; and (*b*) wire nails.	ton	....	Rs. 45.
103*s*	61	IRON OR STEEL (other than bar or rod) specially designed for the reinforcement of concrete.	....	*Ad valorem*	15⅝ per cent.
103*t*	149A	IRON OR STEEL, the original material (but not including machinery) of any ship or other vessel intended for inland or harbour navigation which has been assembled abroad, taken to pieces and shipped for re-assembly in India: Provided that articles dutiable under this item shall not be deemed to be dutiable under any other item.	ton	....	Rs. 28-12 or 12½ per cent. *ad valorem*, whichever is higher.
104	97	ALL SORTS OF IRON AND STEEL AND MANUFACTURES THEREOF, not otherwise specified.	....	*Ad valorem*	25 per cent.
		Tariff values. Iron and Steel cans or drums— When imported containing kerosene and motor spirit, namely:—			
		Cans, tinned, of four gallons capacity.	can	0 8 0	25 per cent.
		Cans or drums, not tinned, of two gallons capacity—			
		(*a*) with faucet caps ..	can or drum	1 8 0	25 „
		(*b*) ordinary	„	0 6 0	25 „
		Drums of four gallons capacity			
		(*a*) with faucet caps ..	drum	2 3 0	25 „
		(*b*) ordinary	„	1 8 0	25 „

* There is no entry bearing Serial No. 103*o*.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		METALS, OTHER THAN IRON AND STEEL.			
105	19	CURRENT coin of the Government of India	....	....	Free.
106	20	GOLD BULLION AND COIN AND GOLD SHEETS AND PLATES which have undergone no process of manufacture subsequent to rolling.	....	....	Free.
107	131	GOLD PLATE, GOLD LEAF, AND GOLD MANUFACTURES, all sorts not otherwise specified.	....	*Ad valorem*	50 per cent.
107A	43BB	SILVER BULLION AND COIN, not otherwise specified, and silver sheets and plates which have undergone no process of manufacture subsequent to rolling.	ounce	....	Seven annas and six pies.
108	132	SILVER PLATE, AND SILVER MANUFACTURES, all sorts not otherwise specified.	....	*Ad valorem*	50 per cent.
108A	154A	SILVER THREAD AND WIRE (including so-called gold thread and wire mainly made of silver) and silver leaf; including also imitation gold and silver thread and wire, lametta and metallic spangles and articles of a like nature, of whatever metal made.	....	*Ad valorem*	62½ per cent.*
109	39A	TIN, block	ton	....	Rs. 312-8.
110	20A	ZINC, unwrought, including cakes, ingots, tiles (other than boiler tiles), hard or soft slabs and plates, dust, dross and ashes; and broken zinc.	....	....	Free.
111	98	ALL SORTS OF METALS OTHER THAN IRON AND STEEL, AND MANUFACTURES THEREOF, not otherwise specified.†	....	*Ad valorem*	25 per cent.
		Tariff values.			
		Aluminium circles	lb.	0 10 0	25 per cent.
		Aluminium sheets, plain	,,	0 9 6	25 ,,
		Brass, patent or yellow metal, sheets and sheathing, weighing 1 lb. or above per square foot, and braziers, and plates.	cwt.	32 4 0	25 ,,
		Brass, patent or yellow metal (including gun metal) ingots.	,,	30 0 0	25 ,,
		Brass, patent or yellow metal (including gun metal), old.	,,	25 4 0	25 ,,
		Copper, braziers, sheets, plates and sheathing.	,,	41 4 0	25 ,,
		Copper, old	,,	32 8 0	25 ,,
		Copper, pigs, tiles, ingots, cakes, bricks, and slabs.	,,	43 0 0	25 ,,
		Copper, foil or dankpana, plain, white, 10 to 11 in. × 4 to 5 in.	hundred leaves.	1 6 0	25 ,,
		Copper, foil or dankpana, plain, coloured, 10 to 11 in. × 4 to 5 in.	,,	1 6 0	25 ,,
		Lead, pig	cwt.	15 0 0	25 ,,
		Quicksilver	lb.	4 0 0	25 ,,

* Under Government of India, Finance Department (Central Revenues) Notification No. 14, dated the 9th April 1932, all the articles included in this item are liable to duty at 50 per cent. *ad valorem.*

† Under Government of India, Finance Department (Central Revenues) Notification No. 14, dated the 9th April 1932, radium is exempt from payment of import duty.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		PAPER, PASTEBOARD, AND STATIONERY.			
112	99	PAPER AND ARTICLES made of paper and papier mache, pasteboard, millboard, and cardboard, all sorts, and stationery, including drawing and copy books, labels, advertising circulars, sheet or card almanacs and calendars, Christmas, Easter, and other cards, including cards in booklet form, including also waste paper and old newspapers for packing, but excluding trade catalogues and advertising circulars imported by packet, book, or parcel post and postage stamps whether used or unused and paper money and paper and stationery otherwise specified.	....	*Ad valorem*	25 per cent.
		Tariff values.			
		Old newspapers in bales and bags ..	cwt.	3 14 0	25 per cent.
		Printing paper (excluding chrome, marble, flint, poster and stereo) in which the mechanical wood pulp amounts to not less than 70 per cent. of the fibre content, glazed or unglazed, white or grey.	lb.	0 1 6	25 ,,
		Packing and wrapping paper—			
		Machine-glazed pressings ..	,,	0 1 9	25 ,,
		Manilla, machine-glazed or unglazed, and sulphite envelope.	,,	0 2 0	25 ,,
		Kraft and imitation kraft ..	,,	0 2 0	25 ,,
		Straw boards	cwt.	5 8 0	25 ,,
113	155	PRINTING PAPER (excluding chrome, marble, flint, poster and stereo), all sorts which contain no mechanical wood pulp or in which the mechanical wood pulp amounts to less than 70 per cent. of the fibre content.	lb.	....	One anna and three pies.
114	156	WRITING PAPER—			
		(*a*) Ruled or printed forms (including letter paper with printed headings) and account and manuscript books and the binding thereof.	lb.	....	One anna and three pies or 18¾ per cent. *ad valorem*, whichever is higher.
		(*b*) All other sorts	lb.	....	One anna and three pies.
115	21	TRADE CATALOGUES AND ADVERTISING CIRCULARS imported by packet, book, or parcel post.	....	....	Free.
116	21A	POSTAGE STAMPS, whether used or unused.	....	....	Free.
116A	21B	PAPER MONEY	....	....	Free.
		RAILWAY PLANT AND ROLLING-STOCK.			
117	63	RAILWAY MATERIALS for permanent-way and rolling-stock, namely, sleepers, other than iron and steel, and fastenings therefor; bearing plates, chairs, inter-locking apparatus, brake-gear, shunting skids, couplings and springs, signals, turn-tables, weigh-bridges, carriages, wagons, traversers, rail removers, scooters, trollies, trucks; also cranes, water-cranes and water-tanks when imported by or under the orders of a railway administration:	....	*Ad valorem*	15§ per cent.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
117 *contd*		RAILWAY PLANT AND ROLLING-STOCK—*contd.*			
		Provided that for the purpose of this entry "railway" means a line of railway subject to the provisions of the Indian Railways Act, 1890, and includes a railway constructed in a State in India and also such tramways as the Governor-General in Council may, by notification in the *Gazette of India*, specifically include therein:			
		Provided also that articles of machinery as defined in Serial No. 96 or No. 99 shall not be deemed to be included hereunder.			
118	63A	COMPONENT PARTS OF RAILWAY MATERIALS, as defined in Serial No. 117, namely, such parts only as are essential for the working of railways and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose:	....	*Ad valorem*	15⅝ per cent.
		Provided that articles which do not satisfy this condition shall also be deemed to be component parts of the railway material to which they belong, if they are essential to its operation and are imported with it in such quantities as may appear to the Collector of Customs to be reasonable.			
		YARNS AND TEXTILE FABRICS.			
119	43C	ARTIFICIAL SILK YARN AND THREAD ..	....	*Ad valorem*	18¾ per cent.
120	158	COTTON PIECE-GOODS (other than lents of not more than nine yards in length)—			
		(*a*) plain grey, that is, not bleached or dyed in the piece, if imported in pieces which either are without woven headings or contain any length of more than nine yards which is not divided by transverse woven headings—			
		(*i*) of British manufacture ..	....	*Ad valorem*	25 per cent. or 4⅜ annas per pound, whichever is higher.
		(*ii*) not of British manufacture.	....	*Ad valorem*	31¼ per cent. or 4⅜ annas per pound, whichever is higher.
		(*b*) others—			
		(*i*) of British manufacture ..	....	*Ad valorem*	25 per cent.
		(*ii*) not of British manufacture.	....	*Ad valorem*	31¼ per cent.
121	44	COTTON TWIST AND YARN, and cotton sewing or darning thread.	....	*Ad valorem*	6¼ per cent. or 1⅞ annas per pound, whichever is higher.
122	22	SECOND-HAND OR USED GUNNY BAG OR CLOTH made of jute.	....	....	Free.
122A	45B	YARN (excluding cotton yarn) such as is ordinarily used for the manufacture of belting for machinery.	....	*Ad valorem*	6¼ per cent.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		YARNS AND TEXTILE FABRICS—*contd.*			
123	100	YARNS AND TEXTILE FABRICS, that is to say :— Cotton thread other than sewing or darning thread, and all other manufactured cotton goods not otherwise specified. Flax, twist and yarn, and manufactures of flax. Haberdashery and millinery, excluding articles made of silk or artificial silk and silk or artificial silk mixtures. Hemp manufactures. Hosiery, excluding articles made of silk or artificial silk. Jute, twist and yarn, and jute manufactures, excluding second-hand or used gunny bags or cloth. Silk yarn, noils and warps and silk thread. Woollen yarn, knitting wool, and other manufactures of wool, including felt.* All other sorts of yarns and textile fabrics, not otherwise specified.	....	*Ad valorem*	25 per cent.
124	100A	SILK OR ARTIFICIAL SILK GOODS USED OR REQUIRED FOR MEDICAL PURPOSES, namely :—silk or artificial silk ligatures ; elastic silk or artificial silk hosiery, elbow pieces, thigh pieces, knee caps, leggings, socks, anklets, stockings, suspensory bandages, silk or artificial silk abdominal belts, silk or artificial silk web catheter tubes, and oiled silk or artificial silk.	....	*Ad valorem*	25 per cent.
125	45A	SILK OR ARTIFICIAL SILK MIXTURES, that is to say :— (*a*) fabrics composed in part of some other textile than silk or artificial silk and in which any portion either of the warp or of the weft but not of both is silk or artificial silk ; (*b*) fabrics not being silk or artificial silk on which silk or artificial silk is superimposed such as embroidered fabrics ; (*c*) articles made from such fabrics and not otherwise specified (*see* Serial No. 124). *N.B.*—For tariff values under this item *see* those marked with an asterisk (*) under Serial No. 126 below.	....	*Ad valorem*	34⅓ per cent.
126	133	SILK OR ARTIFICIAL SILK PIECEGOODS, and other manufactures of silk or artificial silk not otherwise specified (*see* Serial Nos. 124 and 125).† *Tariff values.* Silk piecegoods (white or coloured, plain or figured, all lengths and all widths) and other manufactures of silk from Japan and China (including Hongkong)—	....	*Ad valorem*	50 per cent.

* Under Government of India, Finance Department (Central Revenues) Notification No. 14, dated the 9th April 1932, woollen waste and rags are exempt from payment of import duty.

† Under Government of India, Finance Department (Central Revenues) Notification No. 14, dated the 9th April 1932, incandescent mantles made of artificial silk are liable to duty at 25 per cent. *ad valorem*.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		YARNS AND TEXTILE FABRICS —*concld.*			
126 *contd*		SILK OR ARTIFICIAL SILK PIECEGOODS —*contd.*			
		Tariff values—contd.			
		Japan—			
		Paj, all kinds, including Habutai, Thama, Junken and Nankin, and including striped, printed, woven so-called (*i.e.*, swivel weave-work or Khakho embroidered), embossed and pineapples but excluding all kinds of Shioji or Shin Paj.	lb.	12 9 0	
		Satins, Taffetas, and Kohakus, all kinds, including striped, printed, woven so-called (*i.e.*, swivel weave-work or Khakho embroidered), and embossed.	,,	13 12 0	
		Twill, all kinds	,,	13 12 0	
		Jarina (gold embroidered)	,,	16 0 0	
		Fugi and Boseki, all kinds	,,	6 8 0	
		Fancies, printed and woven so-called (*i.e.*, swivel weave-work or Khakho embroidered), including georgettes, crepes, ninons, gauzes, and all kinds of Shioji or Shin Paj.	,,	18 8 0	
		Spun crepe, all kinds	,,	11 8 0	
		Silk embroideries and silk embroidered piecegoods, excluding Burmese scarves.	,,	33 0 0	
		Dhuties, handkerchiefs, hosiery, mufflers, shawls and scarves, excluding shawls with artificial silk fringes and Burmese scarves.	,,	22 8 0	
		Dupettas and China Silk patkas ..	,,	14 8 0	
		Burmese scarves—			
		(*a*) Paj or Habutai	,,	31 0 0	
		(*b*) Other kinds	,,	38 0 0	
		*Cotton and silk mixed satins, embroidered.	,,	14 0 0	
		*Cotton and silk mixed satins, other kinds.	,,	5 4 0	
		Cotton and silk mixed hosiery ..	,,	28 0 0	
		*Cotton and silk mixed Fugi and Boseki, all kinds.	,,	4 8 0	
		Silk Fents	,,	5 0 0	
		China (including Hongkong but excluding Canton—			
		Honans, all kinds, and patkas ..	,,	6 4 0	
		Shantungs and Tussores, all kinds, including patkas.	,,	4 8 0	
		Corded, all kinds, excepting white cords.	,,	3 4 0	
		White cords, all kinds	,,	7 12 0	
		Crepe, gauze, and paj, all kinds ..	,,	14 8 0	
		Satins and fancies, all kinds, including loongies and stripes, Taffetas and Pagris, all kinds.	,,	13 0 0	
		Fugi and Boseki, all kinds	,,	6 8 0	
		N.B.—The tariff values marked with an asterisk (*) are also applicable to silk mixtures under Serial No. 125 above.			
		MISCELLANEOUS.			
127	53	AEROPLANES, aeroplane parts, aeroplane engines, aeroplane engine parts and rubber tyres and tubes used exclusively for aeroplanes.	....	*Ad valorem*	2½ per cent.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		MISCELLANEOUS—*contd.*			
128	23	ART, the following works of :—(1) statuary and pictures intended to be put up for the public benefit in a public place, and (2) memorials of a public character intended to be put up in a public place, including the materials used, or to be used in their construction, whether worked or not.	....	....	Free.
129	101	ART, works of, excluding those specified in Serial No. 128 and Serial No. 155.	....	*Ad valorem*	25 per cent.
129A	134	BANGLES, beads and false pearls	....	*Ad valorem*	50 per cent.
		Tariff values.			
		Celluloid bangles—			
		Celluloid, plain, flat, with border and without border and grooved but excluding double border and those under ¼ inch (*i.e.*, 2 lines) width.	doz. pairs.	0 12 0	50 per cent.
		Celluloid (rubber) rings excluding coils.	,,	0 3 0	50 ,,
		Celluloid, zigzag, all colours ..	,,	0 3 0	50 ,,
		Glass bangles—			
		China—			
		Nimuchi and pasalal	100 pairs.	2 0 0	50 ,,
		Bracelet, Jadi and fancy, all kinds	,,	4 0 0	50 ,,
		Rajawarakh, all kinds	,,	6 0 0	50 ,,
		Japan—			
		Reshmi or lustre, all colours—			
		Fancy (including all kinds of Vakmel or zigzag).	doz. pairs.	0 1 9	50 ,,
		All others	,,	0 1 0	50 ,,
		Hollow or tube, all colours ..	,,	0 2 1	50 ,,
		Sonerikada (golbala)—			
		Containing gold in their composition.	,,	1 0 0	50 ,,
		All others	,,	0 2 3	50 ,,
130	24	BOOKS PRINTED, including covers for printed books, maps, charts, and plans, proofs, music, manuscripts, and illustrations specially made for binding in books.	....	....	Free.
131	102	BRUSHES AND BROOMS	....	*Ad valorem*	25 per cent.
132	103	BUILDING AND ENGINEERING MATERIALS, including asphalt, bricks, cement (excluding Portland cement other than white Portland cement), chalk and lime, clay, pipes of earthenware, tiles, firebricks not being component parts of any article included in Serial No. 96 or No. 117 and all other sorts of building and engineering materials not otherwise specified including bitumen and other insulating materials.	....	*Ad valorem*	25 per cent.
133	104	CANDLES	....	*Ad valorem*	25 per cent.
134	8A	CHINA CLAY..	....	....	Free.
135	105	CINEMATOGRAPH FILMS, not exposed ..	....	*Ad valorem*	25 per cent.
135A	134A	CINEMATOGRAPH FILMS, exposed	....	*Ad valorem*	37½ per cent.
		Tariff value.			
		Exposed standard positive films, new or used.	foot	0 4 6	37½ per cent.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		MISCELLANEOUS—*contd.*			
136	106	CORDAGE AND ROPE AND TWINE of vegetable fibre not otherwise specified.	....	*Ad valorem*	25 per cent.
		Tariff value,			
		Coir yarn	cwt.	13 0 0	25 per cent.
137	106A	FIREWORKS specially prepared as danger or distress lights for the use of ships.	....	*Ad valorem*	25 per cent.
138	135	FIREWORKS not otherwise specified (*see* Serial No. 137).	....	*Ad valorem*	50 per cent.
139	107	FURNITURE TACKLE AND APPAREL, not otherwise described, for steam, sailing, rowing and other vessels.	....	*Ad valorem*	25 per cent.
140	136	IVORY, manufactured, not otherwise specified.	....	*Ad valorem*	50 per cent.
141	137	JEWELLERY AND JEWELS*	....	*Ad valorem*	50 per cent.
141A	24A	LIGHT SHIPS	....	....	Free.
142	*159	MATCHES, UNDIPPED SPLINTS AND VENEERS—			
		(*a*) Matches—			
		(1) In boxes containing on the average not more than 100 matches.	gross of boxes.	....	Re. 1-14-0.
		(2) In boxes containing on the average more than 100 matches.	For every 25 matches or fraction thereof in each box, per gross of boxes.	....	Seven annas and six pies.
		(*b*) Undipped Splints such as are ordinarily used for match making.	lb.	....	Five annas and seven and half pies.
		(*c*) Veneers such as are ordinarily used for making boxes, including boxes and parts of boxes made of such veneers.	lb.	....	Seven annas and six pies.
†					
145	108	MATS AND MATTINGS	....	*Ad valorem*	25 per cent.
146	109	OILCAKES	....	*Ad valorem*	25 per cent.
147	110	OIL CLOTH AND FLOOR CLOTH	....	*Ad valorem*	25 per cent.
148	111	PACKING—ENGINE AND BOILER—ALL SORTS, excluding packing forming a component part of any article included in Serial Nos. 96 and 117.	....	*Ad valorem*	25 per cent.
149	112	PERFUMERY, not otherwise specified ..	....	*Ad valorem*	25 per cent.
		Tariff values.			
		Gowla, husked and unhusked ..	cwt.	58 0 0	25 per cent.
		Kapurkachri (zedoary)	,,	21 0 0	25 ,,
		Patch leaves (patchouli)	,,	20 0 0	25 ,,
		Rose-flowers, dried	,,	21 0 0	25 ,,

* Under Government of India, Finance Department (Central Revenues) Notification No. 14, dated the 9th April 1932, read with section 4 of the Indian Finance (Supplementary and Extending) Act, 1931, articles of imitation jewellery (including buttons and other fasteners), which consist of, or include, base metal plated with gold or silver and in which the proportion of precious metal to total metallic contents is less than 1.5 per cent., are liable to duty at 25 per cent. *ad valorem.*

† There are no entries bearing Serial Nos. 143 and 144.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		MISCELLANEOUS—*contd.*			
150	113	PITCH, TAR AND DAMMER	....	*Ad valorem*	25 per cent.
		Tariff values.			
		Coal pitch	cwt.	3 6 0	25 per cent.
		Stockholm pitch	,,	15 0 0	25 ,,
		Stockholm tar	,,	14 12 0	25 ,,
		Dammer Batu, unrefined	,,	7 4 0	25 ,,
151	114	POLISHES AND COMPOSITIONS	....	*Ad valorem*	25 per cent.
152	46C	PORTLAND CEMENT excluding white Portland cement.	ton	....	Rs. 13-12.
153	46D	PRINTER'S INK	....	*Ad valorem*	10 per cent.
153A	46	PRINTING TYPE	lb.	....	One anna and three pies.
154	54	The following PRINTING MATERIAL, namely, leads, brass rules, wooden and metal quoins, shooting sticks and galleys and metal furniture.	....	*Ad valorem*	2½ per cent.
155	138	PRINTS, ENGRAVINGS AND PICTURES (including photographs and picture post cards), not otherwise specified.	....	*Ad valorem*	50 per cent.
156	55	RACKS for the withering of tea leaf ..	....	*Ad valorem*	2½ per cent.
157	24B	ROPES, cotton	....	....	Free.
158	115	RUBBER TYRES AND OTHER MANUFACTURES OF RUBBER, not otherwise specified (*see* Serial No. 127).	....	*Ad valorem*	25 per cent.
159	64	SHIPS AND OTHER VESSELS FOR INLAND AND HARBOUR NAVIGATION, including steamers, launches, boats and barges imported entire or in sections:	....	*Ad valorem*	15⅝ per cent.
		Provided that articles of machinery as defined in Serial No. 96 or No. 99 shall, when separately imported, not be deemed to be included hereunder.			
160	140	SMOKERS' REQUISITES, excluding tobacco (Serial Nos. 27 to 30) and matches (Serial No. 142).	....	*Ad valorem*	50 per cent.
161	116	SOAP	....	*Ad valorem*	25 per cent.
		Tariff value.			
		Soft soap	cwt.	14 0 0	25 per cent.
162	24C	STARCH AND FARINA	....	....	Free.
162A	24D	STONE PREPARED as for road metalling ..	....	....	Free.
163	118	STONE AND MARBLE, and articles made of stone and marble but excluding stone prepared as for road metalling.	....	*Ad valorem*	25 per cent.
164	119	TOILET REQUISITES, not otherwise specified.	....	*Ad valorem*	25 per cent.

SCHEDULE II—IMPORT TARIFF—*concld.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*concld.*			
		MISCELLANEOUS—*concld.*			
165	141	TOYS, games, playing cards and requisites for games and sports, including bird-shot, toy cannons, air guns and air pistols for the time being excluded, in any part of British India, from the operation of all the prohibitions and directions contained in the Indian Arms Act, 1878; and bows and arrows.	....	*Ad valorem*	50 per cent.
		Tariff value.			
		Bird-shot	cwt.	30 0 0	50 per cent.
165A	160	WOOD PULP	ton.	....	Rs. 56-4.
166	120	ALL OTHER ARTICLES WHOLLY OR MAINLY MANUFACTURED, not otherwise specified.	....	*Ad valorem*	25 per cent.
		IV.—Miscellaneous and Unclassified.			
167	25	ANIMALS, living, all sorts	....	....	Free.
167A	141A	BETELNUTS	....	*Ad valorem*	37½ per cent.
		Tariff values.			
		Betelnuts (husked)—			
		Raw, or boiled whole, from Goa..	cwt.	13 8 0	37½ per cent.
		Raw, or boiled whole, from Straits, Dutch East Indies and Siam.	,,	11 8 0	37½ ,,
		Raw, whole, from Ceylon ..	,,	16 0 0	37½ ,,
		Raw, split (sun-dried) from Ceylon.	,,	29 8 0	37½ ,,
		Boiled, split or sliced	,,	23 0 0	37½ ,,
168	121	CORAL	....	*Ad valorem*	25 per cent.
169	57	FODDER, bran and pollards	....	*Ad valorem*	2½ per cent.
169A	25A	INSIGNIA AND BADGES of official British and Foreign Orders.	....	....	Free.
169B	25B	PLANTS, living, all sorts	....	....	Free.
170	26	SPECIMENS, MODELS AND WALL DIAGRAMS illustrative of natural science, and medals and antique coins.	....	....	Free.
171	122	UMBRELLAS, including parasols and sun-shades, and fittings therefor.	....	*Ad valorem*	25 per cent.
		Tariff values.			
		Umbrella ribs other than nickelled, brassed, fluted or metal tipped—			
		Solid Flexus, all sizes—			
		From Japan	dozen sets of 8.	1 4 0	25 per cent.
		From other countries ..	,,	2 4 0	25 ,,
		Solids, 23, 25 and 27 inches ..	dozen sets of 12.	2 3 0	25 ,,
		Solids, 16, 19 and 21 inches ..	dozen sets of 8.	1 2 0	25 ,,
172	123	ALL OTHER ARTICLES NOT OTHERWISE SPECIFIED, including articles imported by post.	....	*Ad valorem*	25 per cent.

SCHEDULE III—EXPORT TARIFF.

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	Rs. a.
		JUTE, OTHER THAN BIMLIPATAM JUTE.			
	1	RAW JUTE—			
		(1) Cuttings	Bale of 400 lbs.	....	1 4
		(2) All other descriptions	,,	....	4 8
	2	JUTE MANUFACTURES, when not in actual use as coverings, receptacles or bindings, for other goods—			
		(1) Sacking (cloth, bags, twist, yarn, rope and twine).*	Ton of 2,240 lbs.	....	20 0
		(2) Hessians and all other descriptions of jute manufactures not otherwise specified.†	,,	....	32 0
		HIDES AND SKINS.			
	3	RAW HIDES AND SKINS‡	....	*Ad valorem*	5 per cent.
		Tariff values.			
		If exported from Burma—			
		(1) Arsenicated and air-dried hides—			
		(*a*) Cows (including calf skins)	lb.	0 3 3	5 per cent.
		(*b*) Buffaloes (including calf skins).	,,	0 2 3	5 ,,
		(2) Dry salted hides—			
		(*a*) Cows (including calf skins)	,,	0 2 9	5 ,,
		(*b*) Buffaloes (including calf skins).	,,	0 2 3	5 ,,
		(3) Wet salted hides—			
		(*a*) Cows (including calf skins)	,,	0 1 9	5 ,,
		(*b*) Buffaloes (including calf skins).	,,	0 1 6	5 ,,
		(4) Goat and kid skins	Piece.	0 10 0	5 ,,
		(5) Sheep skins	,,	0 6 0	5 ,,
		If exported from any place in British India other than Burma—			
		(1) Arsenicated and air-dried hides—			
		(*a*) Cows (including calf skins) Framed ..	lb.	0 6 0	5 ,,
		(*a*) Cows (including calf skins) Unframed .	,,	0 3 3	5 ,,
		(*b*) Buffaloes including calf skins). Framed ..	,,	0 4 0	5 ,,
		(*b*) Buffaloes including calf skins). Unframed .	,,	0 2 3	5 ,,
		(2) Dry salted hides—			
		(*a*) Cows (including calf skins)	,,	0 4 0	5 ,,
		(*b*) Buffaloes (including calf skins).	,,	0 2 6	5 ,,
		(3) Wet salted hides—			
		(*a*) Cows (including calf skins)	,,	0 2 6	5 ,,
		(*b*) Buffaloes (including calf skins).	,,	0 2 0	5 ,,
		(4) Goat and kid skins	Piece.	1 0 0	5 ,,
		(5) Sheep skins	,,	0 8 0	5 ,,
		RICE.			
	4	RICE, husked or unhusked, including rice flour, but excluding rice bran and rice dust, which are free.	Indian maund of 82 2/7 lbs. avoirdupois weight.	....	Two annas and three pies.

* Under Government of India, Finance Department (Central Revenues) Notification No. 14, dated the 9th April 1932, bagging for raw cotton made from jute rove, weighing not less than 1¼ lbs. per square yard and having a total of no more than 250 warp and weft threads per square yard, is liable to duty at Rs. 5-8-0 per ton.

† Under Government of India, Finance Department (Central Revenues) Notification No. 14, dated the 9th April 1932, jute rags such as are used for paper making, are exempt from payment of export duty provided that the Customs Collector is satisfied that they are useless for any purpose to which cloth or rope is ordinarily put.

‡ Under Government of India, Finance Department (Central Revenues) Notification No. 14, dated the 9th April 1932, hide and skin cuttings and fleshings such as are used for glue-making, are exempt from payment of export duty.

Report for the year 1931.

Section IV.

SPEECH OF THE FINANCE MEMBER

ON

INTRODUCTION OF BUDGET FOR 1932-33.

SPEECH BY THE HON'BLE FINANCE MEMBER ON INTRODUCING THE BUDGET PROPOSALS FOR 1932-33.

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1. I rise to present the Budget for 1932-33 in circumstances which are somewhat unusual. The House is already familiar—almost painfully familiar—with the main features of the present financial situation, and a special occasion has already been taken to ask for the supplies which six months ago we considered to be necessary in order to carry us safely through next year. As His Excellency the Governor-General has already announced, we do not propose to ask the House at the present stage to approve any extensions or modifications of the plan for raising revenue which we put forward last September. A Budget speech must therefore lack much of the interest which normally attaches to it. Nevertheless a very important part of the financial business still remains to be performed—the voting of the actual grants for expenditure—while the occasion is an appropriate one for attempting a general review of the financial position. I should indeed be failing in my duty if I did not utilise this occasion to the full—for on the occasion of the emergency session it was impossible to put forward really accurate estimates of expenditure or to deal fully with a most important part of Government finance—the Ways and Means position.

I must therefore ask Honourable Members to bear with me at some length on the present occasion, even though my speech may lack the interest—real even if painful—of an occasion for proposing new taxation.

2. *General Economic Position.*—I shall not attempt any exhaustive review of economic conditions, but a picture for the current year can be drawn in a few lines. Generally speaking the monsoon was favourable, and India has had quite a normal year as regards agricultural production. Yet her exports and imports have fallen in value to a bare half of what they were two years ago. Exports of merchandise for the first 10 months of the current year amounted in value to Rs. 134¾ crores as against Rs. 265 crores for the first 10 months of 1929-30, while the value of merchandise imported has fallen from 201 to about 105 crores. These are staggering figures, and indicate the extent to which our present difficulties are due to world conditions. The most striking falls in exports for the period mentioned are in jute and jute products which have fallen from Rs. 69 crores to Rs. 28½, and raw cotton which has fallen from just under 51 crores to 20½, while, as regards imports, the most notable cases are cotton manufactures which have fallen from 49.67 to 15.86 crores, and sugar which has fallen from 13.8 to 4.9 crores.

Nevertheless, in spite of this enormous fall in the volume of trade, our favourable trade balance, if movements of treasure are included, for the first 10 months of this year is Rs. 71 crores as compared with Rs. 43 crores for 1929-30. Here is the significance of the export of gold.

As an indication of our higher rates of taxation I may remind the House that this year we have collected for the 10 months about Rs. 29 crores of import duties on Rs. 105 crores of imports, as compared with about Rs. 33 crores of duties on Rs. 201 crores of imports for 1929-30.

These are the salient facts in the situation. They tell their own story, and provide the clue to the whole of the account of our finances which I have now to give.

If Honourable Members wish to study the position more closely I would add that, following the practice which I initiated last year, I am circulating a full report by the Director-General of Commercial Intelligence and Statistics reviewing the trade statistics for 1931. I trust that this will be found of value.

3. *Last year*, 1930-31.—I will deal very briefly with last year's accounts. The actual results have shown a substantial improvement on the revised estimates which I gave last year. Revenue proved actually Rs. 84 lakhs larger than I expected and expenditure Rs. 26 lakhs less, so that the total result was Rs. 1,10 lakhs better—the actual deficit being Rs. 11.58 crores instead of Rs. 12.68 as anticipated.

REVISED ESTIMATES FOR 1931-32 AND BUDGET PROSPECTS FOR 1932-33.

4. Turning now to the position for the current year, and the prospects for next year, I need not remind Honourable Members of the circumstances in which we were forced during last September to undertake *interim* measures to fortify our budgetary position. According to our estimates at that time we should, on the existing basis of taxation, have had to face deficits of over 19 crores in each of the years 1931-32 and 1932-33. We hoped by your new measures of retrenchment and taxation to reduce the deficit for the current year to Rs. 10.17 crores and for next year—when the effects of retrenchment would be fully felt and with the new rates of taxation applicable for a whole year—to realise a surplus of Rs. 5,23 lakhs.

But I emphasised in presenting the estimates in September that they could not, in the extremely uncertain circumstances then prevailing, be regarded as more than guesses, and that we looked to the estimated surplus for next year mainly as a reserve margin against this uncertainty. The actual Customs returns for the months since last September have made it necessary for us to revise our estimates.

As a result we now allow for a deterioration in the figures by about 3 crores for each year, and we anticipate that the current year will close with a deficit of 13.66 crores and that the surplus for 1932-33 will be Rs. 2.15 crores. This surplus of 2.15 crores, based as it is on severely reduced estimates of revenue, we regard as providing a reasonable margin of safety.

I would remind the House also of another consideration. For this year and next year combined we are providing from Revenue no less than 13.71 crores for Reduction or Avoidance of Debt. This of course in no way represents recurrent expenditure. Moreover, in our case a provision for writing off our debt is a measure of a specially conservative nature, seeing that practically the whole of our debt is covered by productive undertakings which themselves make adequate financial provision against depreciation of the value of their capital assets. The matter may therefore be looked at in this way. If we combine the results for this year and next year our estimates show a net deficit of 11.51 crores. But as this is arrived at after providing 13.71 crores for Reduction of Debt, our recurrent receipts for the two years will exceed our recurrent expenditure by 2.20 crores.

If this result is achieved over two years of unexampled depression when practically every Government in the world is having to show very heavy deficits, we may, I think, justifiably regard the Indian financial position as comparatively sound.

COMPARISON OF PRESENT ESTIMATES WITH SEPTEMBER FORECASTS.

5. I will not attempt any detailed comparison of the present figures with the forecasts which I gave in September. The latter did not profess to be more than rough approximations, and we were not able to present detailed estimates under the various account heads.

The comparisons between the two may be broadly summarised as follows. As regards the current year we are reducing our estimates by Rs. 5 crores on Customs and Rs. 1 crore on Income-tax, and as against this we are reckoning on a net improvement under other heads of about Rs. 2½ crores. This leaves a deterioration of about Rs. 3½ crores, or, to be exact, Rs. 3,49 lakhs, which, added to our estimated deficit of Rs. 10,17 lakhs, brings the total to Rs. 13,66 lakhs.

	Lakhs.
For next year we are reducing our estimates for tax revenue and Opium receipts by	4,58
while the net result under other heads shows an improvement of	1,50
The net deterioration on balance is thus	3,08
which deducted from the previously estimated surplus of 5,23 lakhs gives a surplus of	2,15

The main improvement in the case of both years occurs under the Finance heads and this is mainly due to the improvement in the Government's position as currency authority owing to the increased demand for currency.

Analysis of Present Estimates.

6. Having thus briefly summarised the main differences between the September forecasts and our present estimates, I must turn to a fuller exposition of the latter.

The broad picture may be presented as follows. So far as gross revenue and expenditure are concerned :

	In crores of Rupees.	
	Revenue.	Expenditure.
The results for 1930-31 are	124.60	136.18
Our Budget estimate for 1931-32 was	134.87	134.86
Our Revised estimate for 1931-32 is	120.77	134.43
Our Budget estimate for 1932-33 is	129.96	127.81

I must, while giving these figures, remind the House that as they include gross interest payments and the counterbalancing receipts from commercial departments, they do not show the true picture as regards reduction in administrative expenditure.

I will now explain the position more fully as regards the main heads of Revenue and Expenditure.

Revenue, 1932-33.

	Lakhs.
7. *Customs.*—	
The actual revenue (less refunds) for 1930-31 was ..	46,81
The Budget estimate for 1931-32 was	56,46
The Revised estimate for 1931-32 is	46,23
The Budget estimate for 1932-33 is	52,31

The Budget estimate for next year is thus 4,15 lakhs less than the current Budget estimate in spite of the fact that the increased and new duties imposed by the Supplementary Finance Act were expected to bring in additional revenue of 9¾ crores.

8. The main deterioration as compared with the current budget occurs under the heads of sugar, silver, cotton piecegoods and liquors. These require special mention.

The decrease in imports of sugar has been the most important single factor in upsetting our estimates. On the basis of the past five years' consumption it seemed that until the beginning of the current year a quantity of about 850,000 tons could be regarded as a normal figure for imports, excluding the sugar which enters over the land customs line at Viramgam. As against this we now in fact only reckon for the current year on imports of about 475,000 tons and about 500,000 tons for next year. This decrease may be partly accounted for by the increase in Indian production—a subject to which I shall return again—but it is mainly due to decrease of purchasing power.

As it may be argued that the increased duties have themselves been responsible for reduced consumption, I give the following figures which are interesting. In the first place the actual cost to the consumer, in spite of the recent increases in import duty, has on the whole declined over the last few years. The wholesale price including duty average about

Rs. 312 per ton for 1926-27
289 per ton for 1927-28
273 per ton for 1928-29
258 per ton for 1929-30
237 per ton for 1930-31
255 per ton for the first six months of 1931-32.

For the five years from 1926-27 to 1930-31 the average amount of cash spent on the imports of sugar including the duty averaged about Rs. 23 crores, and this average kept up even till 1930-31, when the present crisis had begun.

Now, however, for 1931-32 and 1932-33 on the quantities and prices which we have allowed for in our estimates the total amount of cash spent on imported sugar *plus* duty will only be about Rs. 12¾ crores and Rs. 14½ crores respectively.

These figures indicate that it is a falling off in purchasing power and not any rise in the price of sugar brought about by our increased duties which has mainly affected consumption. Our estimates had allowed for a substantial decrease in consumption, but not so large as we feel we must now face. Under this head we are in fact down by Rs. 3,56 lakhs for the current year, and 2,16 for next year, as compared with the original budget estimates for 1931-32 on the basis of customs duties without the surcharge.

Silver, again, is an important factor in the decrease. For 1930-31 the duty actually collected was Rs. 2,33 lakhs, but for next year with the increased duty we are not counting on more than Rs. 1,60 lakhs. The former represented imports of 111 million ounces and next year's estimates only allow for 34 million ounces.

Apart from sugar or silver another most disappointing head has been cotton piecegoods. Here as compared with the 1931-32 Budget we are down in the current year by 1,96 lakhs and next year by 1,86 lakhs. Again in the case of liquors, we have had to reduce our estimate for the current year by 88 lakhs, and for next year by 79 lakhs, as compared with the Budget estimate for 1931-32.

Results from New Import Duties.

9. It may be interesting at this point to add some comments on the operation of the new customs duties imposed in the Emergency Finance Bill of last September.

10. *Import duty on Machinery.*—The new duty of 10 per cent. on machinery produced for the four months to end of January 1932 Rs. 35 lakhs and is estimated to produce up to March 31st a total of 49 lakhs, and for 1932-33 Rs. 1,00 lakhs. This compares with the estimates furnished in September of Rs. 52 lakhs for the current year and Rs. 1,03 lakhs for next year. On the current year's results it is therefore making a satisfactory showing in comparison with our estimates.

11. *Import duty on Raw Cotton.*—As regards the new import duty of ½ anna per pound on raw cotton, we have had to be more cautious in our present estimates and to reduce substantially the figures from those anticipated at the time of the Emergency Finance Bill. Here we are now only counting on Rs. 16 lakhs for the current year and Rs. 32 lakhs for next, as compared with our original estimates of Rs. 43 lakhs and Rs. 87 lakhs respectively. Our reduced figures are based on estimates of imports of about 22,800 tons in the last six months of the current year (making a total for the year of about 72,000 tons) and of about 46,000 tons for next year. The need for caution in estimating was brought out by the fact that imports in the first three months after the duty was imposed fell to 6,500 tons as against 10,600 tons in the corresponding period of the previous year. The total quantity imported in the previous year was 58,000 tons. Taking these facts into account together with the shortage of this season's Indian crop and the present activity of the Indian mills, the figures on which we have now based our estimates for next year may be regarded as providing a distinct margin of safety.

As regards the general effects of the duty a precise estimate is difficult just now owing to the presence of a number of abnormal complicating factors.

Conditions in the world's cotton market have been abnormal, and this may equally be said of local conditions in India, as there has been a shortage of production owing to unfavourable weather conditions, with a resultant rise in prices for grades which are primarily exported and not affected by the import duty. Expert opinion, however, agrees that the

imposition of the duty has been responsible for a definite improvement in the prices paid for staple cotton. The shortage of the Indian crop has been offset by a bumper crop in America, and it seems very probable that had the duty not been imposed American cotton would have been imported at cheap rates to the detriment of Indian agricultural interests. It is fortuitous circumstances of this kind that have been mainly responsible in the past for large imports of American or Egyptian cotton, where these have taken place ; while it seems unlikely that the steady demand from Bombay for East Africans will be seriously dislocated by the duty. It is, of course, too soon to trace the effect of the duty on the actual development of the production of staple cotton in India, but I am confident that all interests concerned will soon realise that the import duty will do much to accelerate this desirable development. A particularly interesting point is that for progress on these lines it is reasonable to look towards the area that will be developed by irrigation from the recently completed Sukkur Barrage. The general conclusion is that the effects of this duty have been definitely favourable to Indian interests.

12. *Import duty on Dyes.*—The other new duty imposed in September was on dyes. Here we now expect to get 20 lakhs next year against our September estimate of 17.

13. These three new import duties (on machinery, cotton and dyes) are therefore now expected to produce altogether 1,52 lakhs against our first estimate of 2,07—but, as I have said, the present provision allows for a very cautious estimate as regards cotton.

14. *Taxes on Income.*—

	Lakhs.
The actual revenue (less refunds and share of Provincial Governments) for 1930-31 was	16,00
The Budget estimate for 1931-32 was	17,44
The Revised estimate for 1931-32 is	17,30
The Budget estimate for 1932-33 is	18,73

My present estimate of 18,73 lakhs for next year includes a payment of 23 lakhs by Railways, already referred to in the Railway Budget. The House will recollect that according to our proposals for cuts in pay the new income-tax charges estimated in September were to be merged in the cut. This really had the effect that a Government employee was to be subject to a deduction of 10 per cent. made up of cut in pay *plus* income-tax combined. In the case of ordinary Government officials the whole of the deduction is treated as a cut in pay. But in the case of Railway employees we have decided for various reasons—chiefly connected with the position of the Company Railways—to treat them as meeting this deduction partly by way of the new income-tax charged and partly by way of cut. Therefore in the case of the Railway officials, Rs. 23 lakhs of the total deductions which they suffer by way of cut and tax combined is treated as income-tax receipts.

Excluding this special item of 23 lakhs, my present estimate for next year is only 1,06 lakhs more than the Budget estimate for the current year in spite of the fact that the increase in the rates of income-tax and the levy of income-tax for the first time on incomes between Rs. 2,000 and Rs. 1,000 were expected to yield an additional revenue of 3¾ crores. We have therefore made substantial allowance for deterioration in the general conditions of business in the current year.

Effect of recent increases and extensions of Income-tax.

The supplementary and extending Finance Act lowered the minimum income liable to income-tax from Rs. 2,000 to Rs. 1,000 and imposed a surcharge of 12½ per cent. in the current year on all rates of income-tax and super-tax. Unlike the changes in customs duty, these provisions only took effect when the Act actually became law, that is to say at the end of November last. So far as the taxation of the lower incomes in particular was concerned, extensive additions to our staff had then to be made to cope with the additional work. Some delay was inevitable in organising the new staff and in effecting the new processes of assessment. We have therefore not yet conclusive evidence as to what the yield of the taxation of the lower incomes will be in the current year. It is hardly probable that the assessments

will all be completed in the short time that remains while it is of course quite certain that the whole demand will not be collected this year. This will mean no more than throwing forward some of the revenue due on account of the current year into next year, and this has been allowed for in our estimates.

The imposition of the surcharge on assessments already made was of course a far simpler matter than the invasion of the new field of taxation offered by lower income, and here we anticipated a yield for the current year of Rs. 1,74 lakhs. Up to the end of January the demand on this account was Rs. 1,16 lakhs and collections Rs. 62 lakhs.

Income-tax Evasion.

There is one further point to which I must allude in dealing with income-tax. In my reply to the speeches made by certain Honourable Members in the course of the debate on the supplementary Finance Bill, which indicated a belief that evasion of income-tax was widespread and serious, I promised to enquire into the matter and endeavour to ascertain the facts.

I have had the whole subject reviewed and have taken stock of the weapons in our armoury to see whether due use was made of the powers which we have got and whether they required to be reinforced. I also invited suggestions, both in regard to evidence of evasion and in regard to measures for dealing with it, from the business community. On the first point, I cannot say that we have received any enlightenment. As to the second, while the response has not overwhelmed me, suggestions, for which I am grateful, have been elicited that merit consideration and will receive it. As a result of these suggestions and our own reflections we are feeling our way towards certain methods that I trust will prove valuable. In regard to their precise nature I am sure that the House will appreciate my motives for reticence. In vain is the net spread in the sight of the bird.

15. *Salt revenue.*—

	Lakhs.
The actual revenue (less refunds) for 1930-31 was ..	6,83
The Budget estimate for 1931-32 was	7,05
The Revised estimate for 1931-32 is	8,48
The Budget estimate for 1932-33 is	9,43

I now estimate for an increase of 2,38 lakhs in 1932-33 as compared with the current budget, from the abolition of the Salt Credit System and the surcharge on the duty. In my September forecast I had only allowed for an improvement of 1,85 lakhs. The further improvement is due to the fact that the figures of salt issues so far in the current year do not indicate any drop in offtake which at one time we considered probable.

16. *Other Tax revenue.*—

	Lakhs.
The actual revenue (less refunds) for 1930-31 was ..	1,10
The Budget estimate for 1931-32 was	1,15
The Revised estimate for 1931-32 is	1,05
The Budget estimate for 1932-33 is	88

The fall of 27 lakhs as compared with the current budget is due mainly to the exclusion of the provincial revenues of the North-West Frontier Province.

17. *Opium revenue.*—

	Lakhs.
The actual revenue (less refunds) for 1930-31 was	2,53
The Budget estimate for 1931-32 was	2,16
The Revised estimate for 1931-32 is	1,98
The Budget estimate for 1932-33 is	1,33

The Budget estimate for 1932-33 is 83 lakhs less than the current budget, the reduction being due partly to our policy of reducing exports and partly to two of the foreign purchasing Governments not taking their quota in 1932. This has been an unexpected factor in worsening our estimates.

18. *Commercial Departments.*—

	Lakhs.
The actual net revenue for 1930-31 was	4,03
The Budget estimate for 1931-32 was	3,93
The Revised estimate for 1931-32 is	—1,39
The Budget estimate for 1932-33 is	—19

Honourable Members are already familiar with the position as regards the Railway Budget. We do not expect any contribution from Railways either in the current year or the next.

As regards Posts and Telegraphs, the loss in the working of the Department in the coming year, after allowing for the full effect of the retrenchment and taxation measures, is now expected to be about Rs. 16 lakhs. This does not, however, take into account the effect of the recommendations of the Posts and Telegraphs Accounts Enquiry Committee except in one small respect explained in the Finance Secretary's Memorandum. Whether the further recommendations are to be adopted is still under consideration by the Government, and we have announced that if we ultimately reach the conclusion that we ought not to accept any particular recommendations, we shall refer the points of difference for consideration by the Public Accounts Committee. I would, in this connection, remind Honourable Members of what I said in my Statement in this House on the Financial Position on the 29th September last. If all the recommendations of the Committee were accepted, the deficit of about Rs. 16 lakhs would be converted into a surplus of about Rs. 27 lakhs, but that would represent merely an adjustment in the Government accounts and no improvement as regards the financial position of the Government as a whole.

19. *Finance Heads.*—Here we must consider the general Finance headings, Interest receipts, Currency and Mint receipts, Interest on Debt and the provision for Reduction or Avoidance of Debt.

Before dealing in detail with these heads, I would mention that we have this year adopted a change in the accounting procedure in regard to discount on treasury bills, so as to include in the accounts of each year only that portion of the discount which has been earned during the year. In the case of bills issued to the Paper Currency Reserve we have similarly decided to take credit in the accounts of the year for the profit that has actually been earned during the year. The previously existing procedure, under which in the case of the latter class of bills the debit on account of interest was taken in the accounts of one year and the corresponding credit for profit on note circulation in the following year, resulted in an inaccurate presentation of the financial results of the year, especially when the volume of bills outstanding was undergoing fluctuations. Apart from this, a credit on account of Gain on Exchange appears for the first time in the revised estimates of the current year, and is due to the decision to transfer to revenue each year the net credit or debit on account of exchange resulting from the year's transactions, which was hitherto kept in suspense as explained in the Financial Secretary's Memorandum.

20. Under Interest receipts,

	Lakhs.
The actual receipts in 1930-31 were	3,38
The Budget estimate for 1931-32 was	2,92
The Revised estimate for 1931-32 is	2,25
The Budget estimate for 1932-33 is	1,80

The fall of over a crore in the budget of the next year as compared with the estimate for the current year is due to two facts. In the first place, we were able to supplement actual receipts in the current year by drawing 58 lakhs from the Gold Standard Reserve Revenue Equalisation Fund—the creation of which I explained in my Budget Speech of February 1930. There will be no balance left in this fund to be drawn upon next year. In the second place the proportion of interest-bearing securities in the fund to gold has now been substantially reduced.

21. Under Currency and Mint,

	Lakhs.
The actual net receipts in 1930-31 were	27
The Budget estimate for 1931-32 was	—15
The Revised estimate for 1931-32 is	81
The Budget estimate for 1932-33 is	2,61

The improvement is almost wholly accounted for by the anticipated increased profit on note circulation due to the expansion of currency during the current year against treasury bills. I shall deal with this subject more fully in a later part of my speech. For the present I would remind Honourable Members that this merely represents a restoration of part of the reduction in currency profits which resulted from the much heavier contraction of the preceding two years.

It will be convenient on this occasion, in order to deal fully with the whole field of administrative expenditure, to give here also the gross receipts under the head "Currency and Mint."

	Lakhs.
The actual receipts in 1930-31 were	1,24
The Budget estimate for 1931-32 was	63
The Revised estimate for 1931-32 is	1,85
The Budget estimate for 1932-33 is	3,31

22. Under Interest payments,

	Lakhs.
The actual net expenditure in 1930-31 was	11,28
The Budget estimate for 1931-32 was	11,99
The Revised estimate for 1931-32 is	13,14
The Budget estimate for 1932-33 is	13,11

I estimate the total gross payments at 45,95 lakhs for ordinary debt and 8,87 lakhs for other obligations, recoveries from Railways and other Commercial Departments and the Provincial Loans Fund at 41,71 lakhs and total net payments at 13,11 lakhs. The increase in the net interest payments is due partly to the deficits in the years 1930-31 and 1931-32 and partly to the increase of the rate of interest allowed on Provident Fund balances from 5 per cent. in the current year to 5¼ per cent. in the next. The increase is partly counterbalanced by a decrease in the interest payable on Railway Depreciation and Reserve Fund balances owing to the fact that these have, as Honourable Members are aware, to be heavily drawn on for meeting the deficit in the working of the Railways.

23. Under Reduction or Avoidance of Debt,—

	Lakhs.
The actual provision in 1930-31 was	6,15
The Budget estimate for 1931-32 was	6,78
The Revised estimate for 1931-32 is	6,89
The Budget estimate for 1932-33 is	6,82

As a large portion of our capital resources during the current year was found from Treasury Bills issued to the Paper Currency Reserve, and as these bills are excluded from the calculation of total debt for purposes of the Debt Redemption Scheme, the provision in 1932-33 instead of showing the usual increase, shows a reduction of 7 lakhs as compared with the Revised estimate for the current year.

24. *Other heads of revenue*—

	Lakhs.
The actual revenue in 1930-31 was	4,12
The Budget estimate for 1931-32 was	3,39
The Revised estimate for 1931-32 is	4,03
The Budget estimate for 1932-33 is	3,00

The deterioration of 39 in 1932-33 as compared with the current budget is chiefly due to the elimination of the provincial revenue receipts of the North-West Frontier Province and to a reduction in the receipts on Reparation account.

25. *Summary of Revenue Estimates.*—To sum up, the Budget for 1932-33 under the heads of Tax Revenue, Net Revenue from Commercial Departments, Opium Revenue and Other Revenue and the Finance headings shows as compared with the current budget:

	In lakhs of Rupees.	
	Better +	Worse —
Tax Revenue retained by the Central Government, i.e., excluding the transfer to the Road Fund		—88
Net Revenue from Commercial Departments		—412
Opium Revenue (gross)		—83
Finance headings	+41	..
Other revenue		—39
	+41	—6,22
	—5,81	

EXPENDITURE ESTIMATES.

26. *Summary.*—I must now turn to the expenditure side, but before going into details I will summarise the position so as to complete the other side of the picture to the Revenue summary which I have just given.

	Lakhs.
Civil Expenditure—	
The actual Civil expenditure in 1930-31 was	24,93
The Budget estimate for 1931-32 was	23,34
The Revised estimate for 1931-32 is	22,65
The Budget estimate for 1932-33 is	20,65
Military Expenditure—	
The actual Military expenditure (net) in 1930-31 was	54,30
The Budget estimate for 1931-32 was	52,00
The Revised estimate for 1931-32 is	51,76
The Budget estimate for 1932-33 is	46,74

From these figures it will be seen that total Civil and net Military expenditure in 1932-33 is estimated at 67,39 lakhs, which is 11,84 lakhs less than for 1930-31, and 7,95 lakhs less than the current budget.

To complete my comparison between the Budget for the current year and next year—according to the summary which I have given:—

	Lakhs.
The reduction in net Receipts under the headings of Tax Revenue, Commercial departments, Finance heads, and other receipts is	5,81
While the net reduction in Civil and Military expenditure is	7,95
Thus accounting for a net improvement of	2,14
As the surplus in the current year's budget was Rs. 1 lakh, the surplus we are estimating in 1932-33 is	2,15

27. In considering the expenditure figures which I have just given I would ask Honourable Members to concentrate on the reduction of 11,84 lakhs from the actuals of 1930-31, for it is over the two years that our Retrenchment work must be assessed. Apart from this, I must point out that the figure of 7,95 lakhs, representing the reduction for next

year's as compared with the current year's budget does not represent the full amount of our retrenchment measures.

The following points must be borne in mind in interpreting this figure.

First, it includes nothing for retrenchment measures in the Posts and Telegraphs Department, the results of which are of course merged in the net result on their working account, which is included in the Budget figures, not under Civil expenditure but under the Commercial Department head.

Secondly, the Civil expenditure figures were reduced by an abnormal item in the current year, because the amount for capital expenditure on the commercial departments charged to Revenue was actually a minus figure owing to receipts of 54 lakhs on the sale of the Indo-European telegraph undertaking. If capital expenditure is excluded from the comparison the reduction in Civil expenditure for 1932-33 as compared with the Budget for 1931-32 is 3,18 lakhs, and the total reduction for Civil and Military expenditure combined is 8,44 lakhs.

Thirdly, there are changes in accounting and otherwise as between the current year and next year which must be taken into account in making a final comparison. These will be explained in the remarks which I have now to make on the retrenchment measures which have been actually effected.

28. *Retrenchment measures.*—I must now give some account of how we have given effect to the Retrenchment programme which was promised on my presentation of the Emergency Finance Bill. On this point I must ask Honourable Members to give their close study to the memoranda which we are circulating. These show in considerable detail how the Retrenchment plans have been worked out under each head of the Demands for Grants. It is only by studying these details that one can understand what is involved and what has been achieved. For my present purpose—unless I were to speak at interminable length—I must confine myself to the broadest outline. I will take Civil and Military expenditure separately.

Civil Expenditure.

29. In my speech on first introducing the Emergency Finance Bill in September I indicated that as regards Civil expenditure (including Posts and Telegraphs) we hoped to achieve Retrenchment measures providing for a reduction of Rs. 3,25 lakhs, against which we allowed for terminal charges, compensation, etc., about Rs. 75 lakhs, so that we were reckoning on a net saving of Rs. 2,50 lakhs for next year. I elaborated this estimate somewhat in November, while the general forecast of expenditure which I then gave allowed for certain further reductions. The position which is revealed in the papers which I am now presenting may be summarised as follows :—

	Lakhs.
On account of definite measures carried out in accordance with the recommendations of the Retrenchment Committees (for which my previous figure was Rs. 3,25 lakhs) the gross savings now incorporated in the Demands for Grants are	3,45
But on top of this we have insisted on further miscellaneous reductions amounting in all to	88
Thus producing total reductions of	4,33
As against this the cost of terminal charges now comes out at .	33
So that the net figure (to be compared with my earlier figure of Rs. 2,50 lakhs) is increased to	4,00

To this must be added the temporary saving on cuts in pay which for Civil heads—including the Posts and Telegraphs—we now put at 1,22 lakhs, instead of my former figure of 1,15.

30. Having arrived at this figure one is confronted by the fact—which perhaps Honourable Members do not always appreciate—that, even in times like this, expenditure cannot stand still, and that there is a constant swelling tide of increasing demands to be kept back. The various Retrenchment Committees working on the budget figures for 1931-32 could not of course make allowance for this.

In the first place there is the automatic increase imposed on our expenditure by the addition of increments to pay under the present time-scale system. This accounts for an unavoidable increase of Rs. 35 lakhs.

On top of this I have to provide for new expenditure under various heads which I will, for my present purpose, divide into two classes :—

First, apparent additions to expenditure which do not represent real increases in the net cost of administration.

Secondly, unavoidable new outgoings.

31. Under the first head the following important items may be noted :—

Nasik Printing Presses.—Here we are adopting recommendations made both by the General Purposes Sub-Committee and the Public Accounts Committee and in future will show in the accounts the gross figures of expenditure and receipts instead of, as formerly, a net figure of the surplus of receipts over expenditure. This means adding Rs. 22½ lakhs to the expenditure side—which is of course more than balanced by countervailing receipts.

Aden.—The Central Government is now taking over directly the administration of Aden from the Bombay Government. This adds Rs. 5 lakhs to the expenditure side, against which Rs. 6¼ lakhs are added to revenue.

Delhi Capital Account.—This Capital account has now been closed down and expenditure on the maintenance of buildings, etc., formerly charged to capital, has now to be borne on revenue. This adds Rs. 17 lakhs to the budgetary expenditure, which is in no sense a new item. Against this there are certain receipts of about Rs. 7 lakhs.

Payments to Travancore and Cochin Durbars.—Here there is an increase shown as expenditure of Rs. 9 lakhs accounted for by the increased share which these two Durbars have to receive from the customs collected at Cochin Harbour. This has to be treated as expenditure, but it is clearly not expenditure in the true sense.

Increased Income-tax Staff.—Again, in this class of expenditure I must mention Rs. 18 lakhs which represents the cost of the additional income-tax staff required for dealing with the 350,000 new assessees who are brought in by reducing the income-tax limit to Rs. 1,000. This is indeed increased expenditure, but it is of course essential, and is more than balanced by receipts. I would here note that the net increase under Income-tax is only about Rs. 12½ lakhs—the difference being accounted for by retrenchment in the existing staff.

Another item is Rs. 2 lakhs for developments at Khewra salt mine and other Northern India salt sources. This is balanced by our share in the special import duty on foreign salt.

Lastly I must include in this class an extra charge of about Rs. 8¼ lakhs for interest payable by the Posts and Telegraphs Department.

32. I will now turn to the second class of expenditure which really represents additional outgoings. Honourable Members may think that in these hard times we ought to have admitted nothing new, but certain items have been absolutely unavoidable.

I will mention the following more important items :—

Rs. 5½ lakhs for the Round Table Conference committees now touring in India.

Rs. 3½ lakhs representing the increased rupee equivalent of our contribution to the League of Nations due mainly to the fall in the gold value of the rupee. This is notable as being practically our only external obligation which has increased owing to this change in our currency.

Rs. 2 lakhs for the All-India Medical Council, and the Calcutta Hygiene Institute.

Rs. 6 lakhs for the inauguration of the new province in the North-West Frontier area.

Rs. 3½ lakhs for the Delhi conspiracy case, etc.

33. Altogether the items of unavoidable new expenditure of the class which I am now describing come to about Rs. 29 lakhs, while the apparent increase under the first class of items which I mentioned is about Rs. 89 lakhs—the total thus added to the expenditure side of the budget being Rs. 1,18 lakhs.

34. I have mentioned these items in order to explain how the position is complicated when an attempt is made to see how the retrenchments made affect the actual budgetary figures, but I would again refer Honourable Members to the detailed statements now circulated which show the exact position under each head of the Demands for Grants.

For the present I would remind them of the following broad facts, when they compare what we have achieved with the recommendations of the various Retrenchment Committees. The total recommended by the four civil Sub-Committees was Rs. 4,99 lakhs, and we have against this achieved economies of Rs. 4,33 lakhs or nearly 87 per cent.—before allowing for terminal charges which, of course, the committees did not take into account.

35. I would mention two other striking results in this connection. The first is the actual reduction in Expenditure. I have already given the figures from the accounts showing a reduction of 11,84 lakhs for Civil and Military Expenditure (excluding Posts and Telegraphs) since 1930-31. The position may also be stated in another way. If Honourable Members will look at the analytical table which is included in the Financial Secretary's memorandum (which is prepared now on a slightly different basis from that which I circulated in September) they will find that what I may describe as the net controllable administrative expenditure, civil and military (which excludes the cost of collection of taxes and of the administration of salt and Posts and Telegraphs expenditure) has been brought down from just over Rs. 76 crores in 1930-31 to just over Rs. 64 crores for 1932-33, a reduction of about 16 per cent.

The second fact is of a more distressing nature, but it indicates the magnitude of the effort which we have made. In pursuance of the retrenchment campaign the following appointments in the Civil Departments (including Posts and Telegraphs) have been or will shortly come under reduction so far as information is at present available—

Gazetted officers	299
Ministerial establishment and other superior establishment ..	5,279
Inferior establishment	1,485
Total ..	7,063

36. *North-West Frontier Province.*—Before I leave the subject of Civil Expenditure I must make special reference to one substantial change in the estimates before the House

this year. This arises from the change in the constitutional position of the North-West Frontier Province. The position is explained in detail in the Financial Secretary's statement and for my present purpose I need merely summarise it by saying that a sum amounting to about Rs. 66¼ lakhs drops out from the Government of India receipts, representing the revenue for the area of the new Governor's Province, while, on the other side, expenditure amounting to about Rs. 1,63½ lakhs is taken over by the province. The net difference between these two figures is a deficit of about Rs. 97¼ lakhs, and as against this our proposal is that the Central Government should give a subvention of one crore to the new province. It is a subvention on this basis which appears in the Demands for Grants placed before the Assembly. It has been fixed at a round figure and gives the province a small margin of about 2¾ lakhs. The subvention is to be operative for three years, or until the new Constitution for India is inaugurated—whichever is the earlier. In either event the position will again be revised.

The account which I have just given represents the position for a full year. For next year the position as set out in the Demands for Grants is slightly complicated for the following reason. We had anticipated that the new province would come into existence from the 1st April next, and we had made our financial arrangements accordingly. It has, however, been found impossible to get the elections over and the new Council into being until later in the month. Consequently, under the Government of India Act, the expenditure and revenue of the province for the first part of the month of April constitute Central transactions. Honourable Members will observe from the form of the Demand for the North-West Frontier Province that we have therefore been forced to provide (*a*) for a certain amount of direct expenditure in the early part of April next, and (*b*) for virtually handing back to the province the revenue which we may collect during that period.

The problem of fixing the subvention on a fair basis just at the present time of economic disturbance has been one of great difficulty. In fact, had financial considerations alone to be taken into account, one would hardly have chosen the present time for the fixing of a subvention. On the other hand, it had to be done ; and it seemed also necessary to fix it for a reasonable period, as it would have been impossible to impart any degree of financial autonomy to the province if the amount of the subvention had to be determined afresh from year to year. The North-West Frontier Province Subjects Committee faced the problem and indicated the various elements in the calculation. That Committee suggested a basic subvention of 1,17 lakhs ; but they left it to the Government of India to make allowance in the revenue figures for the present low level of prices. Also, reporting as they did in the month of June last year, and relying for their material on the facts of the past, they naturally failed to adjust the figures to the lower level of expenditure now prevailing in all parts of India as a result of the present retrenchment campaign. We were fortunate, while dealing with this latter factor, to have had before us for the North-West Frontier Province the main propositions and figures of Sir Abdur Rahim's Retrenchment Sub-Committee. We concluded that the fair and proper course was to set out a budget for the North-West Frontier Province exactly as we should have framed it had the administration of the province been remaining with the Government of India. We, however, made allowance for the extra cost of the necessary administrative and legislative machinery, and for carrying out the recommendation of the Subjects Committee to transfer the management of Roads and Buildings to the local Public Works Department. Except in regard to these two matters, we had to recognise that any further increase of resources placed at the disposal of the North-West Frontier Province could be made only by withdrawing funds from other parts of India. The Government of India could hardly have contemplated a programme of expanding activities in that province while the rest of India is having seriously to restrict all its activities. In fixing the recurring subvention at the figure of a crore we have, I believe, dealt fairly with the new province, consistent with our responsibilities for other areas. With more direct contact with the administrative needs, the new provincial Government may, we hope, be in a position to make better use of the money than we have been able to from the Centre. So far as we are concerned, we shall be relieved of a responsibility which it has always been difficult for the Government of India to exercise—a difficulty which is felt in connection with the financial control of all the directly administered Central Areas by the Government of India, whose organization is really designed for purposes of a different nature.

37. I must now turn to the Army Budget.

Revised Estimate, 1931-32.—The budget allotment for Military expenditure in 1931-32, excluding the special grant for expansion of the Territorial Force, was Rs. 51.90 crores. 22 lakhs, representing the proceeds of the emergency cut on the pay of officers, has been surrendered, and the revised estimate now stands at 51.68 crores.

The Military authorities have conducted their retrenchment campaign on an 18 months' plan, extending over the period from the 1st October 1931 to the 31st March 1933. Retrenchment on a large scale necessarily involves the payment of substantial terminal charges, and it was an essential part of the military programme to reduce expenditure in the last six months of the current financial year in order that credit might be taken in 1932-33 for the full effect of retrenchment. The military authorities were assisted here by a further fall in prices which will produce a saving of about 17 lakhs. With the help of this windfall His Excellency the Commander-in-Chief has been able, by insisting on general economy in expenditure and by introducing forthwith certain retrenchment measures which bring in immediate savings, to complete successfully the first stage of his programme. Apart from the formal surrender of the 22 lakhs on officers' pay, His Excellency has effected savings sufficient to meet the whole cost of employment of troops in the Burma rebellion and other disturbances (about 30 lakhs) without any additional grant, and to carry forward a sum of 21 lakhs which should suffice to cover terminal charges payable in 1932-33.

38. *Budget Estimate for* 1932-33.—In September last I informed the House that His Excellency the Commander-in-Chief had agreed, as the Army's contribution in the national emergency, to accept a cut of Rs. 5¼ crores on his 1931-32 budget. I have now only to say that His Excellency has made good his undertaking in full, and that the estimate for the military budget in 1932-33, excluding again the special grant for the Territorial Force, stands at 46.65 crores.

Honourable Members will find among their budget documents an Army Department paper giving a detailed account of the methods by which this reduced figure has been reached. The total reduction, which is raised to 5½ crores to allow for certain unavoidable new items such as the establishment of the Indian Sandhurst, is made up of first, 1.40 crores from cuts in pay, secondly, 3.10 crores from retrenchment measures in recurrent expenditure, and thirdly, 1 crore from postponement of progress with the special re-equipment programme. It is necessary to appreciate the exact significance of these savings. To take the first—the cut in pay—this, except for certain categories of British Army personnel (in regard to whom the reduction, following what has been done in England, is permanent), represents the general 10 per cent. cut which we have imposed on all Government servants, and, as we have undertaken that this cut will be restored as soon as conditions permit, most of this part of the reduction must be regarded as purely temporary. Turning to the second class, the retrenchment in recurrent expenditure, this to some extent is accounted for by special temporary savings, such as the eating down of stocks and postponement of essential buildings. As regards the third class, the postponement of the re-equipment programme, this cannot be regarded as permanently cancelled. It does, however, represent special non-recurring expenditure, and when conditions permit it will be necessary to consider special means for financing the completion of this programme.

The significance of these remarks may be indicated in the following way. As regards the cut in pay, when the general cut of 10 per cent. is removed this will automatically throw back on to the Army a recurrent liability of 1,23 lakhs—(1,40 *less* 17 which is a permanent cut). As regards the retrenchment in normal expenditure, about 65 lakhs of this represents savings which are not in the strict sense recurrent. About 20 lakhs represents drafts on stocks, etc., and 45 lakhs postponement of the provision for buildings which are regarded by the Army Department as essential. As regards the postponement of the re-equipment programme, the one crore saved on this for next year may have to be found later by some form of special non-recurring provision. The Army authorities have throughout made it clear that they have only agreed to postponement in order to help in meeting the present national

emergency, and that the permanent cancellation of these measures could not—consistently with maintaining the efficiency of the Army—be effected. His Excellency the Commander-in-Chief has given an assurance that he will not relax his efforts to secure further reductions in recurrent expenditure both by pressing on with measures already accepted, and by developing any further lines that may present themselves, but he has made it clear that he does not see any hope of being able to find economies in normal expenditure, that is to say, economies from measures other than the reduction of fighting troops which raises quite different issues, which can go near to balancing the burden of 1,23 lakhs which would arise from restoring cuts in pay combined with the disappearance of the 65 lakhs of special savings on recurrent expenditure from next year. In support of this he points out that in spite of the intensive examination of all sources of economy both by his own officers and by the Retrenchment Committee, it was only possible to work up to the present reduction of 5½ crores by reducing troops at a saving of 35 lakhs. Further, although provision has been made in the estimates for 1932-33 for some rise in the prices of food grains, as compared with those prevailing in 1931-32, the rates now taken are still far below the recent normal level, and, if prices should rise to, and be stabilised at, something like the 1929 level, this event, though welcome on general grounds, would mean an automatic increase in the military estimates. On these considerations His Excellency wishes it to be made clear that he cannot regard the budget figure of 46.65 crores as representing a new *standard* level of standing charges, and that the normal cost of the Forces at their present strength when the cut in pay is restored must be recognised to be about 48 crores even if the prevailing low prices for grain, etc., continue. I have thought it right to let Honourable Members know the conclusions which His Excellency has drawn from the facts of the present situation, and I can only add that the Government will continue to press for all possible efforts to secure further recurrent economies, and that the campaign for retrenchment will not be regarded as finally closed with the achievements of this year.

39. *General Remarks on Retrenchment.*—I cannot turn from this review of expenditure without again paying a tribute to the work done by the various Retrenchment Sub-Committees. Honourable Members will possibly criticise us in the course of this debate for not having given sufficient effect to their recommendations. As a matter of fact I do not believe that, if they carefully study the papers which are now being put before them, they will be able to sustain this charge. But in any case, however much they may attack me, they will not be able to destroy the sense of gratitude which I feel to them for the assistance which they have given us in performing this very arduous and unpleasant task. For such of those Committees as have continued, even till this moment, their labours, the task must long ago have lost any glamour which it possessed. Nevertheless they have continued their pursuit with unfailing vigour. The task of retrenchment is not yet completed : much work still remains to be done, in seeing that full effect is given to various measures now being inaugurated, while the search for new economies, and resistance to the pressure for new demands must be sustained for a long period to come. The main work as regards this must rest with the Government, and I trust that Honourable Members will believe me when I assure them that it will be continued without any failing of energy.

General Review of the Budgetary Position.

40. Before I conclude my review of the Budgetary position I think it necessary to make certain general observations. The present occasion is an appropriate one to attempt something more than a mere bald enumeration of facts and figures and to take stock of the whole position. I say this for two reasons. In the first place we have in the last two years made some very important changes in our scheme of taxes, the effects of which ought to be carefully noted. In the second place the strain of the present economic crisis affords a good opportunity for testing the strength of the various parts of the structure on which our revenue depends.

41. There are two important points which such an examination reveals, first the effect of recent protective policy on revenue, and secondly, the direction in which reserve powers of taxation to meet an emergency can be exercised.

The Protective Effect of our Import Duties.

42. I will take these points in order. It is in our import duties that the most significant changes have been made. Among the customs import duties the two largest individual items were until two years ago those on cotton piecegoods and sugar. The recent increases in these duties—which formerly were regarded only as revenue measures—would in any case, and apart from any decisions which the Legislature has taken or may shortly take in regard to them, have given to them a highly protective character. It is obvious that as the protective effect increases, their value as revenue producers must diminish. The facts as regards cotton piecegoods are well known; but they are so striking that they deserve repetition. To-day we cannot reckon on more than about 900 million square yards of imports, as compared with an average of about 1,800 million yards for the post-war period up to 1929, and about 3,200 million yards before the war. It is on the present reduced quantity that we must rely for collecting duties. Taking the post-war years of normal prosperity and post-war prices, say 1922-23 to 1928-29, the average annual amount of import duties collected on cotton piecegoods was about Rs. 6½ crores. To-day, even with the higher duties, we cannot on the reduced quantities reckon on a revenue of more than Rs. 3¾ crores.

43. If we turn to sugar, the protective effect has not yet fully developed and we must look for our comparison rather to the future. In the immediate present the yield of duties on sugar is, as I have already indicated, being affected mainly by the present abnormal drop in purchasing power, but looking to the future the following information may be of interest. According to figures which have been supplied to me by the office of the Imperial Council of Agricultural Research, it appears that Indian production of sugar may increase from 155,000 tons in 1930-31 to about 330,000 tons in 1933-34; that is to say, at the rate of about 60,000 tons per annum, and this rate of increase may be expected to continue in the future. With a duty of Rs. 9 per cwt. this means that if the increase in Indian production is balanced by an exactly corresponding decrease in imports of foreign sugar, there will be a progressive loss of revenue at the rate of Rs. 1,08 lakhs per annum. Needless to say it is to be hoped that we shall also see, as a counterbalancing factor to this loss, some increase in the total consumption—partly as a result of a normal growth in demand, and partly as representing a recovery from the present abnormal depression. But the fact remains that locally produced sugar must make the imports so much less than what they would otherwise have been. The figure of a progressive loss of Rs. 1,08 lakhs per annum is in fact what the policy of protection will cost the Indian customs revenue, against which may perhaps be set some increase in receipts from income-tax. I am not now expressing any view on the merits of protection as a policy; but it is necessary to realise the facts as regards its effects on revenue.

44. It is also important to realise that if the Central Government is to have properly balanced machinery of taxation at its command, it ought to have means, either through the income-tax or in other ways, of recovering to itself some increase in revenue to counterbalance the loss which may occur in the revenue from import duties as a result of a protective policy. That is a point which those who are framing a new Federal Constitution should bear in mind.

45. I have dealt only with the two most important individual items—cotton piecegoods and sugar—but similar results may be taking place as regards a number of other articles on the customs list as a result of the higher duties.

Results from Various Taxes.

46. I will turn now to the other point which I mentioned as worthy of examination—the way in which the stresses and strains of the present crisis are showing up the strengths and weaknesses of the various parts of our structure of taxation.

This can be tested by seeing how the estimates of revenue from increased and from new taxes are working out.

In my review of the revenue estimates the fact which I have had chiefly to emphasise is the disappointing yield of customs duties. In spite of recent substantial increases, and of the addition at various recent dates of such new duties as those on silver, machinery, and raw cotton, our final estimates for the current year show a total deterioration under Customs of Rs. 2,90 lakhs, as compared with the average for the 3 years 1928-29 to 1930-31. Now this result is of course mainly due to the general fall in the value of exports and consequently in the purchasing power for imports, combined with the operation of subsidiary causes, such as the protective effect of certain duties to which I have already called attention. A more detailed examination, however, of the heads under which deterioration has occurred shows up some interesting facts.

Leaving aside cotton piecegoods which I have treated solely as an example of the effects of protection, the chief deterioration among other items in the current year, as compared with the three-year average, occurs under the following heads :—

Sugar, to which I have already referred at such length, in spite of special large increases in the rate of duty, accounts for Rs. 1,49 lakhs.

Liquors, tobacco, motor cars and articles in the so-called luxury schedule with the basic rate of 30 per cent., which may be classed together as typical cases of articles required by the well-to-do classes, show a deterioration of Rs. 1,58 lakhs, or 22 per cent.

To these two examples may be added silver (for which I cannot make the same comparison as in the cases which I have just dealt with, because an import duty was only first imposed in 1930) which for the current year shows, as compared with 1930-31, a falling off of Rs. 1,23 lakhs despite the enhancement of the duty.

These three heads account for a deterioration of no less than Rs. 4,30 lakhs from what might have been regarded as the expectation of revenue in a normal year at much lower rates of tax. They cover articles other than prime necessities, for although sugar in some form is perhaps a general necessity, this description does not strictly apply to the kind of sugar which is imported.

On the other hand, if we turn to the main articles of consumption by the Indian masses we find a different picture, and the increases made in the rates of taxation are likely to provide substantial increases in revenue.

In the case of kerosene, for example, we expect to get in the current year, from excise and import duties combined, Rs. 3,57 lakhs, as compared with an average for 1928-29 to 1930-31 of Rs. 2,71 lakhs. Here, therefore, is a reserve to which we have been able effectively to turn.

Then again, as regards salt, the enhancement of 25 per cent. in the duty seems to have had no appreciable effect on the consumption, and we are able to anticipate increased revenue in a full year (apart from the immediate and temporary gain from the abolition of the salt credit system) of Rs. 1,60 lakhs over and above the normal revenue at the old rate.

I might here also mention two other articles of consumption by the Indian masses the results in regard to which are equally interesting. I refer to betel-nuts and spices.

As regards betel-nuts, the recent substantial increases in duty do not appear greatly to have affected consumption, for we are relying on a revenue of about Rs. 60 lakhs for the current year and Rs. 63 lakhs next year from this duty, as against a normal revenue before the increase of Rs. 33 lakhs.

A similar result appears in the case of spices. From those items (cloves, nutmegs and pepper) for which separate trade statistics are on record—and they constitute 80 per cent. of the whole—we are able to anticipate a revenue of about Rs. 20 lakhs in the current year and of Rs. 22 lakhs next year, against a normal revenue before the increases in duty of under Rs. 9 lakhs.

47. The figures which I have given are of course, in a sense, only an illustration of well-known principles affecting the yield of taxes on articles of elastic and inelastic demand. But it is interesting to examine how these principles work out in practice. Such an examination of these examples indicates that a Finance Member—who has unfortunately to be hard-hearted and exclude all sentiment from his plans and calculations—must be brought to the conclusion that if in times of emergency he needs to raise extra revenue, then his most sure and reliable course is to impose slight increases in the taxes which fall on the masses of the population. A few annas per head from 300 millions is the most effective course, whereas attempts to extract heavy taxation from a limited class seem almost to have reached their limit. This is a conclusion which is not likely to be popular, but all who share in the responsibility for maintaining the financial position of India must face hard facts.

48. While these facts must be faced, I do not wish to suggest that where increased revenue is sought there should not be a fair and proportionate increase in direct taxation. No critic of the Government could, in the face of the recent heavy increases in income-tax, complain that this proportion has not been preserved. The increases in rates are well known, and beyond this it is merely necessary to state the simple fact that in times of great depression we are counting on getting about 18¾ crores from income-tax as compared with an average of slightly over 16 crores for the five years of comparative prosperity from 1923 to 1928.

Reasons for Increased Need of Tax Revenue.

49. After making these observations on considerations affecting the raising of tax revenue I want to ask Honourable Members to give their attention to the circumstances which have made it necessary to put a special strain on such tax revenue at the present time. For this purpose I must direct special notice to the table analysing the various heads of receipts and expenditure which is brought up to date and included on page 2 of the Financial Secretary's memorandum. This shows that whereas in the comparatively prosperous five years from 1923-24 to 1927-28 the extent to which the Government had to rely on Tax revenue (less cost of collection) amounted only to an average figure of about Rs. 67¾ crores, we are endeavouring for 1932-33 in a period of unexampled depression to raise from Tax revenue about Rs. 77 crores.

50. What is the reason for this increase in the pressure on Tax revenue? It is, as the figures, which I have already given, show, certainly not increased expenditure, for that is being enormously reduced. The real reason is the deterioration under other heads of Government receipts. These, according to my analytical table, averaged Rs. 28 crores for the five years from 1923 to 1928, whereas for this year and next year we can only count on about Rs. 9 crores—a drop of no less than Rs. 19 crores. The main factors in this decrease —apart from the relinquishment of the Provincial contributions—have been deteriorations under the following three heads—

(1) Net revenue from commercial departments,

(2) Finance heads, and

(3) Opium receipts.

The total receipts from these three heads for the five years 1923 to 1928 averaged Rs. 15.71 crores, while our estimate for 1932-33 only allows for Rs. 4.83 crores, a reduction of nearly Rs. 11 crores. Thus commercial departments which in the former period assisted revenue to an extent on an average of 6.77 crores will for next year show a net deficit of 19 lakhs. Finance head receipts (Currency and Mint and Interest receipts) which in the former period produced 6.63 crores are reduced for next year to 4.41 crores, and Opium receipts which produced a net profit of 2.31 crores come down next year to 61 lakhs net. Here are the real causes of deterioration, and on top of this must be added the following main facts; first, that Provincial contributions which were 9.2 crores in 1923 have disappeared, and secondly, that the provision for Reduction or Avoidance of Debt which for the five years 1923 to 1928 averaged about 4.5 crores has now gone up to about 7 crores.

There is one other special point to which I would call attention and that is that we are now meeting our liabilities in regard to Cash Certificates in a much fuller way than was previously the case. In the five years 1923 to 1928 the amount annually charged to the Budget in respect of bonus on Cash Certificates amounted on an average only to an interest charge of about 2 per cent. We are now meeting the full accrued liability and the provision has increased from 23 lakhs in 1927-28 to 2,20 lakhs in next year's budget although the mean capital outstanding has only increased from about 29 crores to about 47 crores.

51. These figures indicate the main sources of the difficulties with which the Government has now to compete, quite apart from the inevitable falling off in tax receipts owing to the economic depression which would in any case have made it necessary to raise the rates. The first effort to deal with such a position should undoubtedly be to reduce expenditure. I have already given a detailed account of what we have done in this direction. But I would remind the House again of the main results. The controllable administrative expenditure under which I include Military expenditure and all Civil expenditure, other than Debt Services, Extraordinary expenditure and the cost of tax collection, averaged for the five years 1923-28 about 75½ crores and by 1930-31 it had increased to just over 76 crores. The provision for 1932-33 has been reduced to just over 64 crores, a reduction all round of about 16 per cent. The need for increasing tax revenue has been brought upon us not by swollen expenditure but by the tremendous drop in the returns from the economic activities of the Government and in the economic productivity of the country on which the revenue from taxation depends. I would ask all Honourable Members to study carefully the figures which I have prepared, for they indicate the realities of the situation.

Ways and Means.

52. *Summary.*—I will now turn to a review of the Ways and Means position for the current year and the next, a summary of which in the usual form will be included in the printed copies of my speech.

Liabilities.

	Budget, 1931-32.	Revised, 1931-32.	Budget, 1932-33.
Railway Capital Outlay (Construction)	11.45	8.35	4.15
Other Capital Outlay	1.93	1.82	1.50
Provincial Drawings	9.50	15.41	10.62
Discharge of permanent debt (net)	29.54	33.09	26.56
Loans and Advances by Central Government	1.21	.98	.26
Other transactions	— .79	3.50	.06
	52.84	63.15	43.15

Resources.

Revenue Surplus	.01	—13.66	2.15
Rupee Loan (net)	15.00	16.95	14.50
Sterling Loan (net)	24.76	17.35	8.00
Treasury Bills with public	..	..	—7.51
India Bills	—5.40	—5.40	..
Post Office Cash Certificates and Savings Bank	4.06	7.19	7.00
Other Unfunded Debt	5.63	2.69	4.71
Appropriation for Reduction or Avoidance of Debt ..	6.78	6.89	6.82
Depreciation and Reserve Funds	.99	—3.73	.52
Expansion of Currency against Treasury Bills (net) ..	..	35.09	..
Reduction of Cash Balance	1.01	—.22	6.96
	52.84	63.15	43.15

53. The outstanding features to be noted in the revised figures for 1931-32 are the heavy drawings on their Reserves by the Railways; the reduction in Railway Capital expenditure combined with the large increase in Provincial Governments' drawings as compared with the original estimates; the fact that permanent debt was discharged to almost exactly the same extent as it was increased by new rupee and sterling loan; and lastly—and most important—the addition of approximately Rs. 35 crores to our resources as a result of the expansion of currency against Treasury Bills.

54. *Expansion of the Currency.*—I will deal first with this last-mentioned feature. In my Budget speech for 1930-31 I explained fully the effect of our currency operations on our Ways and Means position. During the years 1930-31 and 1931-32 Government, in their capacity as currency authority, had to effect large contractions of the currency in order to avoid the development of an inflationary position having regard to the tremendous fall in world prices of all commodities. This process continued until September 1931 when the suspension of the gold standard in Great Britain, and the linking of the rupee to sterling instead of gold, produced a complete change in the situation. For various reasons a large demand for currency then arose in India. This demand enabled us to replace in the Paper Currency Reserve a large part of the Treasury Bills which had been cancelled during the previous two years, and in this way to recover resources which had been temporarily lost by the previous contraction. As it had been necessary during 1929-30 and 1930-31 in order to meet contraction against rupee securities and silver, for the Government in effect to provide funds amounting to Rs. 43,60 lakhs, the net result on our Ways and Means position during the last three years of contraction and expansion has been to decrease our resources by about Rs. 8½ crores.

55. *Loans.*—The expansion of Rs. 35 crores to which I have referred, enabled us to meet large unforeseen demands and at the same time decrease our ordinary borrowings. In the budget for 1931-32 I assumed that sterling borrowing would be limited to the conversion of the £15 million outstanding from the 5½ per cent. 1932 loan maturing in January 1932. What actually happened was that a loan of £10 million sterling was raised in London in May 1931, but the 5½ per cent. 1932 loan was repaid from the Home Treasury balances, the net result being that the sterling borrowings during the current year will be £5 millions less than was estimated a year ago. The gross proceeds of the rupee loan amounted to 16,95 lakhs as against Rs. 15 crores estimated at the beginning of the year. The loan took the form of 6½ per cent. Treasury Bonds, 1935, issued at par. The notable feature of this loan was that it was kept open " on tap " for a long period—from the 15th September to the 12th December—and that special facilities were given for subscriptions at all post offices doing savings bank business in addition to treasuries and branches of the Imperial Bank. In this way a special appeal was made to small investors in the mofussil who could come into a post office at any time and take up a few bonds against a payment which included a proportion of the interest accrued, the proper addition being made to the purchase price from week to week. The response in all the circumstances was extremely satisfactory. While the banks and the money market took comparatively small interest, owing to the exceptionally unfavourable international and internal situation, small investors all over the country took full advantage of the additional facilities given. Of the total subscriptions of 16,95 lakhs, 2,04 lakhs represented conversions of maturing 1931 bonds and the total amount subscribed through the post office, including conversions, amounted to 6,52 lakhs. The lessons learned from the success of this loan in times of unprecedented difficulty should be of value for the future.

56. Owing to the fall, during the current year, in the price of Government securities large purchases of the 5 per cent. 1929-47 loan and the 5 per cent. 1945-55 loan were effected from the balance in the depreciation funds of these loans. These purchases were mainly responsible for the increase of about 3½ crores in the amount provided in the current year for the discharge of permanent debt.

57. *Railways.*—The Railway Capital outlay in the current year is now estimated to be Rs. 8,35 lakhs as against 11,45 lakhs provided in the budget. To this extent therefore (Rs. 3,10 lakhs) our Ways and Means position, as affected by the Railways, has improved in comparison with the estimates. On the other hand the large deterioration in the working

results of the Railways has much more than offset this saving. It was anticipated that there would be a surplus of Rs. 1,22 lakhs available for the Railway contribution, and that by drawing Rs. 4,14 lakhs from the Railway Reserve fund this would be made up to the full figure of Rs. 5,36 lakhs. Instead the Railways showed a deficit, after meeting all interest charges, of Rs. 9,47 lakhs. They can therefore not pay any Railway contribution and have to draw Rs. 4,95 lakhs from their Reserve fund and Rs. 4,52 lakhs from their Depreciation fund balance in order to cover this deficit.

The net result is that, so far as concerns the effect of the Railway operations on our Ways and Means position, this is Rs. 7,59 lakhs worse than anticipated in the Budget.

In order, however, to correct undue pessimism I must point out that the total amount set aside by the Railways for depreciation in the current year is Rs. 13.43 crores, and that the amount to be drawn from the Depreciation fund is Rs. 8,25 lakhs for actual expenditure on renewals and Rs. 4,52 lakhs to meet the deficit, or a total of Rs. 12,77 lakhs. Even, therefore, after providing for this latter deduction, a surplus of Rs. 66 lakhs remains to be added to the balance in the fund.

58. *Provincial drawings.*—The provincial drawings have been exceptionally heavy. The Government of India in pursuance of its policy of cutting down capital expenditure to a minimum refused to sanction loans from the Provincial Loans Fund for any new scheme but loans were granted for the purpose of completing schemes already in hand. In addition, most of the provincial Governments are faced with heavy deficits, and in some provinces loans to agriculturists on a large scale have had to be granted to assist them in tiding over difficulties due to the fall in prices or failure of crops. The net result is that provincial drawings are expected to be about 6 crores more than was estimated at the beginning of the year.

59. *Public savings.*—The receipts from Post Office Cash Certificates and Savings Bank are expected to exceed the budget estimate by 3,13 lakhs while the amount of Treasury Bills in the hands of the public at the end of the year is expected to be the same as at the beginning of the year.

60. *Revenue Deficit.*—The estimated deficit of 13,66 lakhs will remain uncovered and will be an addition to the public debt.

61. *Next year.*—The Ways and Means programme for next year is necessarily tentative and subject to modification in the light of the actual circumstances which may arise.

62. *Capital Expenditure demands.*—(*a*) *Railways.*—As the House knows, the Railway Capital expenditure has again been drastically reduced, the provision for 1932-33 being 4,15 lakhs only as compared with the revised estimate of 8,35 lakhs for the current year. To appreciate the magnitude of this reduction, which represents the culmination of a policy which we were forced to initiate in 1929, the current figure of 4,15 lakhs must be compared with the past figure of no less than 29,35 lakhs in 1928-29, and 30,16 lakhs in 1929-30.

(*b*) *Provincial Governments.*—The borrowing programme of the Provinces has also been reduced to a minimum, but in present circumstances they have certain unavoidable financial requirements. Provision for their demands has, however, been reduced from 15,41 lakhs anticipated this year to 10,62 lakhs.

63. *Borrowing Programme, 1932-33.*—With this reduced provision for Railway Capital expenditure and for the Provinces, I estimate that it will be possible to reduce the amount of Treasury Bills held by the public by about 7½ crores from our current resources, and that we shall not have to raise any loans during the year, except for the purpose of meeting or converting maturing loan obligations. As regards the latter, the 6 per cent. sterling bonds 1932-33, which Government have the option to repay on the 15th June 1932, will in any case be repaid. In the estimates which I am now presenting I have treated the

funds for this purpose as being provided by corresponding new borrowing in London. But it is quite possible that this will not be necessary. If exchange continues as at present it appears likely that we shall be able to repay these bonds without borrowing in London, the necessary funds for the purchase of the sterling required being provided by borrowing in India. As regards rupee loans, I am reckoning that we shall issue a loan of 14½ crores, i.e., the amount required to provide for the repayment of the 6 per cent. bonds 1932 falling due on the 1st October 1932. I would add that if the recent improving tendency in the Government securities market continues, it should be possible to raise a larger loan in India on favourable terms and in that case we shall probably take advantage of this opportunity to fund a part of the floating debt and thus reduce this to a greater extent than the 7½ crores which I have, as already explained, allowed for meeting it out of current resources.

64. *Home charges.*—A year ago it was estimated that the net requirements of the Home Treasury would be £33⅓ millions. During the first six months of the year the weakness of exchange which had been a feature of previous years increased owing to the export of capital and international complications. Government not only were unable to purchase sterling, but, in order to implement their obligation under the Currency Act, had to sell sterling to the extent of about £14 millions. This amount was obtained by drawing on the securities in the reserves, while in addition to this amount £9 millions were found from the same source to meet the ordinary requirements of the Home Treasury. After the suspension of gold standard by Great Britain the rupee-sterling exchange soon gathered strength mainly due to the export of gold. Before the end of October the tide had definitely turned, and Government were able to effect remittances to London through the market. The total purchases of sterling on treasury account during the year have been taken for the purpose of my estimates at about £35¼ millions. It is assumed that if sterling purchases exceed this amount, the surplus will be added to the currency reserves. Taking into account the £9 millions which, as I have already explained, were drawn for Home requirements from the reserves, the total amount provided for the requirements of the Home Treasury for the year will on my estimates amount to about £44¼ millions, or about £11 millions more than was estimated at the beginning of the year. This surplus has been used partly to provide for the net reduction of about £5 millions which, as I have already explained, has been effected in the sterling debt, i.e., a repayment of about £15 millions 5½ per cent. sterling loan, less a new 6 per cent. sterling loan for £10 millions issued in May 1931. The remainder will be retained in the Home Treasury balance, making the closing balance for the year £10.8 millions. This large closing balance will be a reserve for meeting our sterling requirements next year. With this reserve in hand, unless the whole or part of the 6 per cent. 1932-33 bonds is repaid from balances, a remittance of £24½ millions will suffice to meet our needs in 1932-33. If further sterling remittances over and above these two requirements are obtained it will be appropriate that they should go to the strengthening of our currency reserves.

General Remarks on Expansion of Currency.

65. I must now make a few general remarks on the currency position with particular reference to the criticisms of the recent expansion which has been appearing in certain sections of the Indian Press. If I treat this criticism as worthy of any serious reply I do so mainly because from certain questions which have been asked recently in this House it appears that Honourable Members are anxious to have their minds cleared on the matter. Put very briefly what is said amounts to this—that the recent expansion of the currency is not justified by any rise in rupee prices ; and that the Government is in effect using the note printing press to meet its own requirements, thereby causing a dangerous inflationary position.

66. Now so long as the Government is the currency authority it is simple and obvious for our critics to say that our currency policy is dictated by revenue considerations. But our answer is equally simple and obvious. So long as our exchange is pegged to something external—either gold, or, as at present, an external currency like sterling—we could not follow such a course even if we so desired. We cannot in fact expand or contract currency beyond the actual requirements of the public which uses that currency without the results becoming apparent in our exchange position. If a Government is out-running

the constable, and if it has to expand currency to meet its own needs because its revenue is inadequate and because its credit is so bad that it cannot borrow enough to make ends meet, then its exchange will weaken and collapse. The great improvement which has recently taken place both in our credit and exchange is the most effective answer which I can give to Government's critics. The money market is a shrewd judge. And the money markets of India and the world clearly do not share the views of our critics.

67. The criticism has in one respect a certain interest, because its very nature points to one feature in the Indian situation which we all admit to be undesirable—namely, that the Government is also the currency authority. We have a dual role, and so long as we have this dual role not only will it be easy for our critics to say that our currency policy is dictated by revenue considerations, but we ourselves are put into the unfortunate position that fluctuations in our receipts as currency authority react upon and upset our budgetary position. But let me assure this House that we keep these two roles rigidly distinct, and that we never allow our revenue needs to deflect us from a sound currency policy. Surely our own record—particularly recently—proves this. In those difficult eighteen months which preceded last September, when our revenue was falling short of our actual outgoings, we did not hesitate to perform our duty as currency authority by drawing off the market that surplus money which had to be withdrawn in order to maintain stability of exchange. We had to raise our floating debt not merely to meet our revenue requirements, but to a far greater extent in order to contract surplus currency. That process reacted most severely on our budgetary position, and made the deterioration in our general financial position appear far greater than was really the case. I had occasion to deal fully with this aspect of the matter last year. To-day the wheel has turned, and the improvement in our position as currency authority is favourably influencing both our general financial position and our budgetary equilibrium. But we are really doing no more than recovering a part of the ground that we lost last year, and we have not created a single pie of currency beyond what the public requires. Let me again remind the House of the figures which I have already given. Our expansion in the current year has provided us with net additional funds of Rs. 35 crores, but our contraction in the two preceding years was Rs. 43½ crores, so that in the three years the Government in performing its duty as currency authority has had to lose resources of Rs. 8½ crores. From the recent improvement the whole country is deriving great benefit and we have done our best, to the extent that we were justified by the exchange position in doing so, to ease the position for commerce and industry by supplying them with the currency that they required and by regulating our Treasury Bill policy in a way which has enabled the bank to reduce its rate from 8 per cent. to 6 per cent. Why should our critics cavil at that ?

68. To those who say that the recent rise in prices has not been sufficient to justify the extent of our expansion I can only answer that the public whose needs we as currency authority have to supply has absorbed the money. There is no evidence either in the banks' figures or otherwise of an undue surplus. It is not possible to say exactly where the money has gone. Some is undoubtedly required to meet the greater needs of trade with higher rupee prices for commodities. It is clear also that in certain cases currency must now be held where gold was held before. That shows a gratifying confidence in the country's currency. Apart from this I would make two observations. In the first place stocks of currency held in the banks and throughout the country must have been reduced to abnormally low figures by the contraction which we effected uptill September, and as a result of the high rates for Treasury Bills which we had to maintain. There was clearly much lee-way to be made up. In the second place, in a country with a fully developed money market organisation, contraction and expansion of *credit* plays a much more important part than contraction and expansion of currency. India is not entirely on a par with a modern Western country in this respect. Except in a few large towns there is no fully developed money market or credit machinery. In the vast areas of the countryside the organisation is still on ancient lines, and the possibilities of variation in the absorption of currency are comparatively large. In the last few months in India there is no evidence of any large expansion of credit, and the whole demand for extra accommodation has fallen on currency. This must be remembered in assessing the situation in India. In any case, whatever our critics say, we can assert with the greatest assurance that the present position is sound. On the other hand it is quite obvious that the recent improvement in the exchange

position and in the demand for currency has been very largely due to the sale and export of gold. If that were to cease, and if there were to be any economic set-back in the world with a renewed fall in gold and rupee prices, then we may again have to reverse the present process in order to maintain a sound position. Will our critics in that case shift their ground yet once more and criticise us again from the other side ? For the present at least let us hope that such a necessity will not arise, and until it does let us be thankful for small mercies in the welcome improvement which has recently come about.

69. *Export of Gold.*—The reference to the export of gold which I have just made brings me to that as another matter on which I must say something because the public mind is so much concerned about it. I would at the outset draw a distinction between the export of gold from private holdings and any loss of gold from our monetary reserves. The distinction is not always kept clear in the public mind. There has of course been no loss of gold from our monetary reserves. On the contrary our holding has largely increased in the current year. Therefore, so far as the backing to our currency is concerned, there has been no weakening of the position.

70. Apart from this, His Excellency the Governor-General dealt a few months ago in this House with the broad aspects of this question. He pointed out that in relation to the vast stores of gold held privately in India the quantities now being exported were of minor importance. At present values India has imported over 700 crores worth of gold in the last 30 years alone. Her total holdings must vastly exceed this quantity. In relation to these accumulated stores, exports of about Rs. 50 crores worth, though large in themselves, sink almost into insignificance. What is happening now has not yet, in fact, appreciably affected India's position as a holder of gold.

71. In the meanwhile the export is giving India a favourable trade balance and enabling her people, who are in this way realising a small portion of their reserves, to tide over the present terribly difficult times. India is thereby being saved much of the hardship under which other countries are suffering. Reserves are being drawn upon in hard times, and, as His Excellency asked, of what use is a reserve if it can never be drawn upon ?

72. Those, however, who deplore the present export of gold apparently hold the view that gold is so extraordinarily valuable as a possession that no country which has once acquired it should part with a single ounce of it—particularly not in the present times of economic crisis. And many of them go on to assert that the present Government of India alone of all Governments is allowing this export to take place.

73. Now, in the first place, to the general argument I think the answer is simple. What is the special and unique quality of gold which justifies the holding of it ? Surely its quality as a reserve which in the last resort is, according to the present world system, the only ultimate sure method for settling obligations as between one country and another. But if this is accepted, then the necessary implication is that the gold must on occasions be used for this purpose. If it is *never* to be used it might just as well be at the bottom of the sea. If no country ought ever to part with its gold, then the logical extension of this argument would be that even a country like South Africa should retain every ounce of gold which is produced from her mines. But the advocates of the contrary view may say that this is an unfair distortion of their argument, and that they only argue that just at the present time, and in India's special circumstances, it is necessary to preserve the gold. Now is it true that there are any special circumstances which make it necessary to hold on to gold now ? On broad grounds I should give a directly contrary answer. What is the essential feature of the world position to-day ? Surely that gold in terms of commodities is grossly overvalued. Its overvaluation means that all those to whom fixed payments in money based on gold are due have to receive far too large a share of the world's production. The present low level of commodity prices, or, to express it the other way round, the present overvaluation of gold, is just exactly *the* calamity from which the world is suffering, and unless it is set right then one of two results must happen ; either the whole of our present economic system will collapse, or all the currencies of the world will have to detach themselves from gold. England, and with her more than half the world, has already had to accept the latter result. America, still on gold, is in terrible difficulties, and is straining every

effort—as recent announcements show—to find a policy which will bring about a rise in the gold prices of commodities, or, in other words, a fall in the value of gold. If she succeeds her present currency system may survive. If she does not, she, too, may be forced off the gold standard. This is no exaggeration of the position. It is impossible to escape the conclusion that the world is faced now with two alternatives, *either* to find some means (by better international arrangements and the better use of the available monetary stocks of gold) for reducing the real value of gold as expressed in commodities, *or* to abandon gold altogether as the basis of currency. If those are the two alternatives then surely one is forced inevitably to the conclusion, that in either case—whichever of the two alternatives actually happens—it would, taking a long view, pay to part with gold now. Why therefore should the people of India be deprived of the right to exercise their own judgment in this matter and sell their gold? My critics would answer, "Let them do so, but let the Government buy it and use this opportunity to build up reserves for starting a Reserve Bank." But to this there are clear answers. First, "For the Government as currency authority to buy gold now that the currency is divorced from gold would be a pure speculation." Secondly, "The Government could not afford to buy and hold all the gold which is being offered now, for it has its own external obligations to meet." Thirdly, "If currency reserves are required, and if we could afford now to accumulate them, we have already our proper proportion of gold. It is rather external securities that we need to complete an ample margin of reserves." Fourthly, "We are indirectly acquiring sterling securities against the gold exports so far as the proceeds are not required to meet the balance of payments due on private account. So far as our financial position permits of it we shall use these securities to increase our currency reserves."

74. I come now to the last point in the critics' arguments,—that we are doing something which no other Government in the world is doing in permitting the export of gold. On this point there is extraordinary ignorance or misconception. As a general proposition, it is true to say that where the Government of any other country to-day has prohibited the export of gold, it has taken this action in practically all cases as a measure of exchange control. In England there is no sort of restriction on the export of gold, and as recent Press telegrams have shown, the ordinary public in England is doing exactly what the Indian public is doing and seizing this opportunity to realise any gold which they hold at great profit. South Africa, France, Belgium, Holland, and of course the United States have absolutely no restrictions. Nor has even Australia at present, although its Government has power to impose restrictions by proclamation. I can mention two important countries which have restrictions—Canada, where gold exports are only allowed by the Government or by Chartered Banks subject to Government licence, and Japan, where since a decree of December 17, 1931, exports are only allowed under Government licence. In both these cases restrictions are features of exchange control—and fortunately we have no need to impose any control over exchange operations in India to-day. I say fortunately, because nothing is more damaging to commerce than that.

75. We have given this matter our most constant and careful consideration ever since last October when the process began, and we are absolutely certain that in present circumstances the best interests of India are being served by allowing free movement of gold to continue—that in fact this movement is proving that India's gold resources are an immense reserve of strength, the moderate employment of which is saving her people at present from much suffering, and preserving the balance of payments and the credit of the country as a whole in times when other countries, particularly countries whose economic conditions resemble those of India, are sorely strained.

There is much popular misapprehension of the significance of what is happening, which may perhaps be corrected by putting it in the following way.

The phenomena of the last few months should not be viewed by themselves, but as one phase in a process of many years. India requires a certain flow of exports to balance her imports of merchandise and external payments. In the past years the volume of this flow has been more than is required, and has been stored up, as in a reservoir, by being put into gold. Now that the volume has shrunken owing to the immense fall in the prices of India's exports (a fall which has been far greater proportionately than for India's imports)

the flow is being supplemented by drawing to a moderate extent on the reservoir of gold. Thus the "reservoir" is performing exactly its proper function of equalising the flow, while the quantities being drawn off are negligible in comparison with the quantities stored.

Our critics often speak as though the interests of Government were somehow different to the interests of the country in this matter. There could be no more absurd idea. The difficulties of Government, either as the authority for revenue and expenditure, or as currency authority, react on the public and *vice versa*. What are the signs at present? We are free from hampering measures of exchange control; exchange is strong; our credit improved; we have reduced our external obligations and strengthened our reserves, thereby saving the taxpayer interest charges, and improving the chances for raising fresh capital when this is needed for the development of the country; the bank rate has come down from 8 to 6 per cent., and, as a result, all who are engaged in trade and industry have obtained great relief; while, as another result, Government securities are rising, a fact which in its turn is improving the position of all banks and investors. If anyone fails to see benefit to the public in all these signs he must be blind indeed.

General Conclusion.

76. It has been necessary to cover a wide field in this speech, and I fear that I have detained the House at great length, even though I have only been able to deal most summarily with the points on which I have touched.

On a broad review I think we may feel satisfied with the position. We can face next year with a prospect of a fairly substantial surplus, while even though the current year is closing with a nominal deficit, if we take into account the provision which we are making from revenue for reducing our debt, we can actually reckon on a surplus of receipts over expenditure for the two years combined.

77. If one looks round the country and at the outward signs of its economic and financial position, while I fully recognise that the difficulties are still immense and that large sections of the people are in dire straits, owing to the present low level of prices and trade depression, nevertheless there is not a total absence of encouraging signs.

78. Even if the sales of gold may to some extent represent a forced realisation of savings, yet as against this there are indications that the masses in India still have a considerable amount of money available for investment. The amount invested in Post Office Cash Certificates during the current year is expected to aggregate about Rs. 6 crores as against an average of Rs. 4.5 crores for the preceding eight years, while the increase in the Post Office Savings Bank deposits will be about Rs. 1,20 lakhs as against a decrease of Rs. 10 lakhs last year. Further, the subscriptions by small investors to the 6½ per cent. Treasury Bonds were very large as is indicated by the fact that about Rs. 6½ crores out of a total of Rs. 16,95 lakhs were subscribed through the Post Office.

79. Then, again, certain industries at least are in a healthy condition. I alluded in the course of the last financial debates to the state of the cotton-mill industry, which I still claim to be the only large staple industry in any country in the world which is not only fully employed, but expanding, to-day; and which increased its production for 1931 by about 400 million yards as compared with 1930. The sugar industry (to which I have already referred) is also expanding rapidly, and according to our information thirteen important factories are in course of erection while seven more are being planned.

80. Lastly, one may point to the easing of money rates, the repayment without borrowing or drawing on our reserves of £15 million sterling in January, and to the recent very striking improvement in the price of our Government securities both in India and in London. Our 3½ per cent. sterling stock, which in September last went as low as 43, had risen on March 2nd to about 66, and other securities have also improved substantially. In fact, London has really taken a lead in this matter and it is a curious fact that it is certain sections of the Indian public that are apparently doing their best to spread pessimism and check the return of confidence. This rise in Government securities does not of course in

itself indicate a revival of trade. But such a movement is a natural prelude to general recovery, which must have brought about an enormous improvement in the position of all the banks and made them stronger to give support to a revival of trade when the conditions justify such action. Apart from Government securities there has been a general rise in the prices of the leading investment stocks. Taking quotations at the end of February, the following typical examples may be given :—

Imperial Bank shares had improved from a bottom figure of 825 to over 1,000.

Bombay Dyeing from about 613 to 681.

Tata Iron and Steel ordinary from 16-6 to about 25.

Indian Cement from 120 to 188.

81. But while I can gladly note these signs for encouragement, and while our budgetary position is sound, such margin as we have provided is certainly no more than is required for safety in these uncertain times. Even now all the conditions in the world are so disturbed, that no Finance Minister can possibly present his estimates as infallible. We have hardly yet emerged from what Mr. McKenna in a recent speech has described as a state of "cataclysmic instability." The old landmarks are gone and we are living in conditions for which in many respects there is no parallel. What is required above all is a general rise in prices, and an economic revival throughout the world which will lead to an increased demand for our products. Our own action alone cannot provide this. International action is required. On this subject one can at least say that the present signs are more hopeful, and that there now seems to be a fair prospect that the great problems of war debts and reparations which have been weighing so heavily on the world may be settled this summer in such a way as to make some recovery possible.

I have dwelt on world conditions and said little about internal political conditions. Here the mere fact that constitutional changes are impending makes it all the more necessary that we should preserve the country's financial foundations in a sound condition and convince the world that any future Indian Government will so maintain them. The latter is a task on which Indian leaders should concentrate. But just at this time we see, on the contrary, efforts in certain quarters to propagate mistrust, and to impede the normal course of trade. I have taken no account of any effects from those efforts in my calculations. Local effects there may be, and Bombay, for example, with her strange passion for self-inflicted wounds, may, unless the commercial interests so threatened bestir themselves, find herself wounded beyond recovery and in danger of losing her place as a commercial market, just as she has been losing her industrial place to other centres. But, so far as India as a whole is concerned, we confidently believe that such efforts will fail to have any appreciable effect on her economic life, and that ultimately the good sense of the country will prevail.

82. In the circumstances which I have described we have taken such financial measures as we think that we can fairly ask the country to support at the moment, but the situation still needs careful watching. And this brings me to the last subject which I wish to mention. In times like the present, when every country is struggling for its financial and economic existence, the best chance for any nation is that all its available forces for national effort should be marshalled together. That is what has happened in England, and as a result England has once again resumed her front place, and may help to give a lead to the countries of the world in finding a way out of this disastrous economic crisis. Is it vain even now to ask for such co-operation in India when we are trying to establish sound conditions for the new Constitution? I have just said that the whole financial situation still wants careful watching. Let me mention the following practical points. First, the general question of a permanent reduction in the scale of Government expenditure is by no means yet finally disposed of. Secondly, if the economic condition of the world should worsen during the coming year it may react upon us, and we may require further measures to protect our position. Thirdly, we shall need to consider most carefully before the next Budget the working of the new taxes which we imposed as emergency measures, and the shaping of our financial policy in a more permanent form to meet the needs of the

future when greater stability has returned and when conditions can be foreseen with greater certainty. Lastly, I must make a short reference to one feature on which I have not dwelt fully in my general review—namely, the finances of the Provincial Governments. Many of them are labouring under financial difficulties which in some respects are greater than our own, and, as I have already indicated, have had recourse to loans from the Central Government in order to cover budgetary deficits. This is a problem which affects India as a whole, and in it we all have a common interest. I will say no more now than that the position will require very careful consideration during the coming year. If in the handling of these problems representatives of the unofficial communities in India were ready to give their advice and support to Government, I feel confident that the national interests would benefit from such co-operation. Honourable Members may perhaps take up these points in debate.

83. In the picture which I have drawn I have tried to give a fair account both of the conditions which encourage hope and of the factors which call for caution. For the coming year we must pray for good crops, and recognise that beyond this much depends on events outside India. In the meanwhile let us not belittle such elements of good fortune as have come to us. We have in the past year ridden a storm which might well have wrecked us, but we have emerged from it stronger than before. We have overhauled our expenditure and reduced this to a level which should leave us a margin of revenue when any economic recovery begins, and at least substantially ease the financial problems at the start of the new Constitution. Difficulties there are which still remain to be overcome, and tasks to be accomplished. If the Indian public would co-operate in a common effort with Government, this could be done more surely and more easily; but we are determined that it shall be done. In the meanwhile, if we look round the world in the present times of difficulty we may fairly claim that there is no country in the world whose intrinsic financial position is sounder, or whose ultimate prospect of economic advance in the future is more bright.

GEORGE SCHUSTER.

The 7th March 1932.

Report for the year 1931.

Section V.

DOCUMENTS AND STATISTICS.

LIST OF CONTENTS.

No. of Table.	Name of Table.	Page No.
1.	Spindles set up in India, U.S.A., Great Britain, Germany, China and Japan..	319
2.	Looms " " " " " " " " " " ..	320
3.	Progress of Cotton Mill Industry of India	321
4.	World's cotton crops, 1911-12 to 1930-31	322
5.	Production and consumption of raw cotton in India	323
6.	Statement showing the stocks of raw cotton held by Indian mills on 1st August 1931 and 1st February 1932	323
7.	Statement showing the cotton arrivals in Bombay during the season 1931-31 compared with nine previous seasons	324
8.	Statement showing the weekly prices of cotton in Bombay	325
9.	Statement showing the stocks of yarn and cloth held by Bombay mills ..	326
10.	Current quotations for Bombay mill-made piecegoods and yarn	327–329
11.	Exchange fluctuations and the price of silver	330
12.	Statement showing the quantity of yarn spun in India during the last 20 years..	331
13.	Statement showing the quantity of yarn spun in Bombay City and Island during the last 20 years	332
14.	Statement showing the quantity of cloth produced in Indian mills during the last 20 years	333
15.	Statement showing the quantity of cloth produced in Bombay City and Island mills during the last 20 years	334
16.	Statement showing the imports of cotton yarn into India during the last 20 years	335
17.	Statement showing the imports of cotton yarn into Bombay during the last 20 years	336
18.	Statement showing the imports of piecegoods into India during the last 20 years	337
19.	Statement showing the imports of piecegoods into Bombay during the last 20 years	338
20.	Summary of imports of cotton yarn into India in 1931 compared with two previous years	339
21.	Detailed statement of imports of cotton yarn into India in 1931 compared with two previous years	340
22.	Summary of imports of cotton yarn into Bombay in 1931 compared with two previous years	341
23	Detailed statement of imports of cotton yarn into Bombay in 1931 compared with two previous years	342
24.	Detailed statement of exports from India of Indian-made yarn by sea ..	343
25.	Detailed statement of exports from Bombay of Indian-made yarn by sea ..	344
26.	Summary of imports of cotton piecegoods into British India in 1931 compared with two previous years	345

No. of Table.	Name of Table.	Page No.
27.	Detailed statement of imports of cotton piecegoods into British India in 1931 compared with two previous years	346—347
28.	Detailed statement of imports of cotton piecegoods into Bombay in 1931 compared with two previous years	348—349
29.	Summary of imports of cotton piecegoods into Bombay in 1931 compared with two previous years	350
30.	Detailed statement of exports of Indian-made piecegoods by sea from British India	351
31.	Detailed statement of exports of Indian-made piecegoods by sea from Bombay	352
32.	Statement showing the re-exports of foreign-manufactured piecegoods and yarn from British India	353
33.	Statement showing the re-exports of foreign manufactured piecegoods and yarn from Bombay	353
34.	Statement showing the approximate yardage of piecegoods available for consumption in India	354
35.	Statement showing the approximate poundage of yarn available for consumption in India	354
36.	Statement showing the progress of Japan cotton mills during the last 16 years	355
37.	Statement showing Japan's cotton consumption during the last 27 years	356
38.	Statement showing Japan's cotton yarn production and exports during the last 28 years	357
39.	Statement showing Japan's cloth production during the last 28 years ..	358
40.	Statement showing the imports of cotton piecegoods and yarn from United Kingdom into the chief Presidency ports of India	359

STATISTICS.

As was stated in the preliminary portion of the report for 1926, the tables printed in the following pages show considerable variations from those published prior to 1926. The tables now given represent an attempt to give in an easily comprehensible form essential information of a statistical nature regarding the textile trade of India as a whole. In addition, information will also be found in certain tables concerning the textile trade of Bombay City and Island which is the largest individual centre of the cotton trade in India.

A number of interesting tables are also included concerning the textile trade of Japan, India's keenest competitor in the home and export markets.

Most of the tables are self-explanatory and no notes regarding their interpretation are necessary. The following notes are only intended to assist in arriving at correct conclusions regarding the progress of the Indian textile trade during the last few years.

Table 3.—Progress of Cotton Mill Industry in India. The falling off in the production of yarn and cloth in the years ending 31st of March 1926 and 1929 is chiefly accounted for by the strikes referred to in the footnote to the table.

Table 7.—Statement showing the cotton arrivals into Bombay during the season 1930-31 as compared with 9 previous seasons.

Tables 16 *and* 17.—Statements showing the imports of cotton yarn into India and Bombay during the last 20 years. Notable features of the tables are the larger imports of artificial silk and mercerized yarn during the last few years.

Tables 18 *and* 19.—Statements showing the imports of cotton piecegoods into India and Bombay during the last 20 years. The figures for the calendar year 1931 indicate an appreciable fall in the total piecegoods imports when compared with previous years.

Table 20.—Summary of imports of cotton yarn into India in 1931 as compared with two previous years. This table shows the shares of the import trade in yarn held by the chief importing countries.

Table 21.—Detailed statement of imports of cotton yarn into India in 1931 as compared with two previous years. This table shows in detail the counts and types of yarn imported into India from the various countries.

Tables 22 *and* 23.—Summary and Details of imports of cotton yarn into Bombay in 1931 as compared with two previous years. These tables give information similar to that contained in Tables 20 and 21, but for the Port of Bombay.

Table 26.—Summary of imports of cotton piecegoods into India in 1931 as compared with two previous years. This table gives at a glance the quantities of the main classifications of piecegoods imported into India from the chief importing countries. Table 27 gives the information contained in Table 26 in very much greater detail.

Tables 28 *and* 29.—Details and Summary of imports of cotton piecegoods into Bombay in 1931 as compared with two previous years. These tables contain information similar to that contained in Tables 27 and 26 respectively but for the Port of Bombay.

Table 30.—Detailed statement of exports of Indian-made piecegoods from India. When perusing this table the footnote explaining the exact areas covered by the territories mentioned should be carefully studied. The preponderance of coloured goods in the total piecegoods export trade is very striking.

Table 31 contains information similar to that given in Table 30 but for the Port of Bombay.

Tables 32 *and* 33.—Statements showing the re-exports of piecegoods and yarn from India and Bombay respectively. The figures show that the bulk of the re-exports of cotton piecegoods pass through Bombay.

Tables 34 *and* 35.—Statements showing the quantities of cloth and yarn available for consumption in India. These tables are among the most interesting and instructive statistics ever published concerning the extent of the Indian market for yarn and piecegoods. The figures showing the balance of yarn available for consumption in India to some extent give an indication as to the importance of the handloom weaving industry of India.

Tables 36 *to* 39 (both inclusive) contain information extracted from the publications issued by the Japan Cotton Spinners' Association and indicate very clearly the phenomenal progress made by the Japanese Cotton Textile Industry during the last decade.

Table 40 is extracted from the statistics published by the British Board of Trade and indicates the relative importance of the three chief Presidency Ports of India in the yarn and piecegoods import trade. It should be noted that the figures for the Port of Bombay as given in this table are not strictly comparable with the Government of India statistics for that port on which all other tables relating to Bombay in this section are based.

TABLE NO. 1.

SPINDLES AND LOOMS SET UP IN INDIA, THE UNITED STATES OF AMERICA, GREAT BRITAIN, GERMANY, CHINA AND JAPAN.

The following figures have been obtained from various sources and may be taken as being approximately correct. In order, however, to make the record as complete as possible, the Committee of the Association will be obliged, if members and others who have any additional particulars available will kindly forward them to the Secretary for inclusion in any future statements that may be published :—

SPINDLES.

Year.	India.	United States of America.	Great Britain.	Germany.	Japan.	China.
1879	1,452,794	....	....	....	....	....
1880	1,461,590	10,653,435	....	....	....	....
1881	1,513,096	....	....	....	....	....
1882	1,620,814	....	....	....	30,000	....
1883	1,790,388	....	....	....	....	....
1884	2,001,667	....	43,000,000	....	....	....
1885	2,145,646	....	43,000,000	....	....	....
1886	2,261,561	....	42,700,000	....	....	....
1887	2,421,290	....	42,740,000	....	....	....
1888	2,488,851	....	43,000,000	....	....	....
1889	2,762,518	....	43,500,000	....	....	....
1890	3,274,196	14,384,180	43,750,000	....	....	....
1891	3,351,694	14,640,000	44,750,000	....	....	....
1892	3,402,232	15,200,000	45,270,000	....	385,314	....
1893	3,575,917	15,700,000	45,270,000	....	381,781	....
1894	3,649,736	16,100,000	45,190,000	....	530,074	....
1895	3,809,929	16,650,000	45,400,000	6,571,332	580,945	....
1896	3,932,946	17,333,396	44,900,000	....	692,384	....
1897	4,065,618	18,228,991	44,500,000	....	768,328	....
1898	4,259,720	18,434,244	44,900,000	7,115,500	1,027,817	....
1899	4,728,333	19,329,092	45,600,000	....	1,170,337	....
1900	4,945,783	19,472,232	45,600,000	8,031,400	1,274,000	550,000
1901	5,006,936	20,196,835	46,100,000	8,434,601	1,234,976	....
1902	5,006,965	20,907,212	49,727,107	....	1,230,697	....
1903	5,043,297	21,212,827	49,700,000	....	1,381,306	....
1904	5,118,121	22,197,522	49,500,000	....	1,345,585	....
1905	5,163,486	22,861,043	50,964,874	8,832,016	1,426,594	....
1906	5,279,595	24,628,379	52,796,230	9,121,259	1,472,253	....
1907	5,333,275	25,681,509	52,585,362	9,730,209	1,540,452	750,000
1908	5,756,020	26,133,442	55,218,024	9,850,209	1,795,879	....
1909	6,053,231	27,914,085	57,026,422	10,162,872	1,954,892	....
1910	6,195,671	28,299,482	57,731,829	10,200,000	2,099,764	....
1911	6,357,460	29,064,492	58,002,435	10,480,090	2,170,796	831,000
1912	6,463,929	29,962,713	58,140,220	10,725,732	2,176,748	833,112
1913	6,596,862	30,579,000	58,481,000	10,920,426	2,414,499	947,406
1914	6,778,895	32,227,840	59,317,187	10,162,872	2,657,174	1,000,000
1915	6,848,744	32,400,792	59,905,000	10,163,000	2,807,514	....
1916	6,839,877	32,653,164	59,811,222	....	2,875,904	1,029,218
1917	6,738,697	33,535,000	60,973,000	....	3,060,478	1,126,568
1918	6,653,871	34,219,156	57,685,841	....	3,227,678	....
1919	6,689,680	34,648,928	59,182,683	....	3,488,262	1,416,556
1920	6,763,076	34,946,721	60,079,394	8,262,872	3,813,680	1,585,300
1921	6,870,804	35,632,193	60,053,246	8,693,221	4,161,126	1,650,000
1922	7,331,219	36,584,487	58,712,303	9,400,000	4,517,612	1,888,348
1923	7,927,938	37,397,000	59,819,000	9,605,000	4,197,966	3,581,214
1924	8,313,273	37,924,000	59,511,000	10,060,000	4,870,232	3,569,440
1925	8,510,683	37,833,000	59,903,000	10,060,000	5,292,040	3,414,062
1926	8,714,168	37,650,000	60,285,000	10,300,000	5,586,027	3,461,152
1927	8,702,760	37,483,000	60,466,000	10,900,000	5,679,852	3,588,483
1928	8,704,172	36,824,000	60,042,000	11,020,000	6,116,266	3,688,483
1929	8,907,064	36,216,000	59,134,000	11,155,000	6,467,174	3,638,098
1930	9,124,768	35,663,000	57,712,000	11,260,000	6,836,516	3,664,120
1931	9,311,983	33,325,000	57,575,522	10,838,000	7,214,001	3,969,552

Note.— The figures for India are taken from the Association's Mill Statement.
The figures for Japan are taken from the half-yearly publication of the Japan Cotton Spinners' Association.
The rest of the figures are taken from the Comtelburo Year Book.

TABLE NO. 2.
LOOMS.

Year.	India.	United States of America.	Great Britain.	Germany.	Japan.	China.
1879	13,018	....	....	....	....	....
1880	13,502	....	....	....	....	....
1881	13,707	....	....	....	....	....
1882	14,172	....	....	....	....	....
1883	15,373	....	....	....	....	....
1884	16,262	....	....	....	....	....
1885	16,537	....	561,000	....	....	....
1886	17,455	....	....	....	....	....
1887	18,536	....	....	....	....	....
1888	19,496	....	....	....	....	....
1889	21,561	....	....	....	....	....
1890	23,412	....	....	....	....	....
1891	24,531	....	....	....	....	....
1892	25,444	....	660,000	....	....	....
1893	28,164	....	....	....	....	....
1894	31,154	....	....	....	....	....
1895	35,338	362,067	606,585	245,000	5,000	....
1896	37,270	354,358	....	....	....	....
1897	37,584	379,341	....	....	2,852	....
1898	38,013	384,745	....	240,000	2,798	....
1899	39,069	392,690	....	....	2,757	....
1900	40,124	439,465	648,820	211,818	5,045	....
1901	41,186	411,106	....	211,818	....	....
1902	42,584	477,072	....	....	....	....
1903	44,092	488,760	684,000	....	5,043	....
1904	45,337	503,027	....	....	5,085	....
1905	50,139	515,006	704,357	230,200	8,140	....
1906	52,668	525,630	704,357	230,200	9,601	....
1907	58,436	536,815	725,221	....	9,462	....
1908	67,920	546,160	736,325	....	11,146	....
1909	76,898	555,398	739,382	....	13,813	....
1910	82,725	625,719	741,197	230,200	17,702	....
1911	85,352	633,909	741,200	....	20,431	....
1912	88,951	671,873	758,712	....	21,898	3,738
1913	94,136	709,255	786,205	....	24,224	4,755
1914	104,179	696,387	805,452	230,200	25,443	....
1915	108,009	689,840	808,145	....	30,068	....
1916	110,268	719,358	808,796	....	31,295	4,755
1917	114,621	725,366	807,543	....	36,181	5,853
1918	116,484	712,426	787,679	....	40,391	....
1919	118,221	700,620	790,936	....	44,401	7,193
1920	119,012	708,079	798,083	190,200	50,583	7,660
1921	123,783	719,120	790,399	190,200	54,994	....
1922	134,620	707,469	799,000	190,200	60,393	10,814
1923	144,794	744,686	795,244	240,700	64,460	22,477
1924	151,485	760,625	791,674	240,700	68,579	21,644
1925	154,202	762,808	788,197	240,700	73,381	25,934
1926	159,464	760,133	786,309	240,700	74,193	22,924
1927	161,952	745,520	767,524	250,000	77,043	24,047
1928	166,532	747,379	754,940	250,000	78,352	25,980
1929	174,992	736,379	739,887	250,000	81,209	29,788
1930	179,250	720,177	703,878	250,000	77,898	29,582
1931	182,429	658,604	657,864	230,000	79,466	29,582

(Please see foot-note to previous table.)

TABLE No. 3.
PROGRESS OF COTTON MILL INDUSTRY IN INDIA.

Year.	BOMBAY CITY AND ISLAND.						ALL-INDIA.					
	Average Working.		Cotton Consumed.	Yarn Spun.	Cloth Woven.	Average Number of hands employed.	Average Working.		Cotton Consumed.	Yarn Spun.	Cloth Woven.	Average Number of hands employed.
	Spindles.	Looms.					Spindles.	Looms.				
	1	2	3	4	5	6	1	2	3	4	5	6
	Year ending 30th June.		Bales of 392 lbs.	Year ending 31st March. Bales of 400 lbs.	(in yds.)	Year ending 30th June.	Year ending 30th June.		Bales of 392 lbs.	Year ending 31st March. Bales of 400 lbs.	(in yds.)	Year ending 30th June.
1903 ..	2,369,273	20,815	986,228	Not available	213,380,279	86,913	4,715,149	39,191	1,739,340	1,440,586	406,316,717	181,399
4 ..	2,339,372	22,745	972,734	Do.	218,577,652	89,915	4,701,318	1,4677	1,744,766	1,444,054	460,554,273	184,779
5 ..	2,398,467	25,442	1,072,452	833,858	304,568,146	92,924	4,815,050	45,507	1,879,244	1,445,953	549,529,065	195,275
6 ..	2,527,082	27,738	1,141,264	873,449	307,078,709	100,798	5,017,537	49,137	2,023,516	1,702,296	564,990,190	208,616
7 ..	2,494,488	29,311	1,115,750	926,649	408,569,624	98,101	5,038,569	52,283	1,980,170	1,634,251	708,139,874	205,696
8 ..	2,528,977	33,589	1,079,194	882,879	471,817,448	101,536	5,291,336	61,167	1,991,500	1,595,738	808,426,561	221,195
9 ..	2,584,886	34,657	1,098,704	894,115	455,639,081	105,751	5,526,233	66,097	2,109,000	1,642,075	824,489,164	236,924
10 ..	2,439,869	36,148	984,658	825,197	532,224,755	104,550	5,290,473	69,599	1,935,010	1,568,410	963,869,482	233,624
11 ..	2,493,163	38,380	953,450	801,068	563,224,913	104,500	5,392,691	73,549	1,905,866	1,524,318	1,042,741,653	230,649
12 ..	2,556,706	39,639	1,077,616	819,102	622,451,272	109,691	5,493,477	77,074	2,050,102	1,562,575	1,136,151,590	243,637
13 ..	2,567,810	39,975	1,072,210	909,202	642,101,710	110,033	5,736,701	82,577	2,096,016	1,721,182	1,220,442,545	253,786
	Year ending 31st August.					Year ending 31st August.	Year ending 31st August.					Year ending 31st August.
14 ..	2,597,913	41,643	1,078,038	887,561	592,366,008	109,860	5,848,283	85,158	2,143,126	1,706,942	1,164,291,588	260,276
15 ..	2,455,468	41,667	1,026,050	805,383	562,322,867	111,924	5,704,320	86,868	2,102,632	1,629,961	1,135,707,952	265,346
16 ..	2,551,736	47,250	1,096,174	941,857	771,266,499	118,303	5,900,896	95,965	2,197,718	1,806,061	1,441,514,550	274,361
17 ..	2,736,014	52,421	1,134,814	889,748	830,185,157	125,713	6,067,770	100,824	2,198,164	1,702,768	1,578,132,789	276,771
18 ..	2,671,450	52,887	1,068,492	893,221	933,137,872	124,199	5,987,685	191,141	2,085,678	1,651,439	1,614,126,458	282,227
19 ..	2,652,115	52,320	999,756	765,475	757,903,744	126,368	6,046,323	102,977	2,044,230	1,537,601	1,450,726,160	293,277
20 ..	2,814,718	54,664	957,150	794,297	863,292,197	140,208	6,238,771	105,169	1,952,318	1,589,400	1,639,779,227	311,078
21 ..	2,896,926	57,159	1,060,598	856,141	836,506,933	147,740	6,407,037	111,708	2,120,230	1,650,006	1,580,849,746	332,179
22 ..	2,952,183	58,848	1,074,198	871,736	921,926,856	149,224	6,549,112	117,318	2,203,540	1,733,929	1,731,573,296	343,723
23 ..	3,013,593	60,808	1,059,630	870,248	870,284,518	148,771	6,760,218	120,806	2,151,698	1,764,733	1,725,284,187	347,380
24 ..	2,929,786	62,087	821,466	673,966	855,883,055	148,414	6,962,553	128,320	1,917,748	1,521,569	1,701,574,355	356,887
25 ..	3,181,654	66,329	994,732	818,857	986,028,304	153,009	7,454,161	135,516	2,226,310	1,798,475	1,970,446,852	367,877
26 ..	2,860,076	63,403	777,970	654,906	871,840,734	149,069	7,264,234	136,033	2,113,384	1,716,068	1,954,462,650	373,508
27 ..	2,951,513	69,684	994,500	862,147	1,135,020,515	154,398	7,521,636	146,200	2,417,412	2,017,790	2,258,716,065	384,623
28 ..	1,826,026	45,464	568,848	796,867	1,131,520,832	129,275	6,505,175	126,235	2,009,782	2,022,351	2,356,564,805	360,921
29 ..	2,108,747	47,668	630,978	384,382	537,402,790	106,710	6,957,389	133,882	2,161,166	1,620,740	1,893,268,655	346,925
30 ..	2,803,936	64,397	877,492	658,042	888,944,315	136,774	7,979,454	156,662	2,573,714	2,083,899	2,418,981,049	384,022
31 ..	2,702,848	62,748	830,388	677,266	967,586,025	129,057	8,093,714	157,609	2,633,176	2,167,611	2,561,133,035	395,475

NOTE:—Columns 1, 2 and 3.—Figures taken from the Association's Mill Statement.
Columns 4 and 5.—Are taken from "Monthly Statistics of Spinning and Weaving" published by the Government of India.
Column 6.—Same as columns 1, 2 and 3.
Production was at a standstill in all the mills in the Bombay City and Island for about 2 months in 1924 (end of January to March) and for a further period of 2½ months in 1925-26 (Sep. 15th to 1st Dec.) and again for about 6 months in 1928 (April 15th to first week of October) and for about 4½ months in 1929 (26th April to the middle of September)

TABLE No. 4.

THE WORLD'S COTTON CROPS, 1911-12 to 1930-31 (TODD'S).

(Bales approximately 500 lbs.)

(000's omitted.)

Years.	America (Linters included.)	India*.	Egypt.	Russia.	China.	Others.	Total.	Percentage on 1914-15.
1911-12 ..	16,251	3,288	1,485	873	2,552	1,058	25,507	91
1912-13 ..	14,313	4,610	1,507	892	2,298	1,160	24,780	88
1913-14 ..	14,795	5,066	1,537	980	2,303	1,287	25,968	92
1914-15 ..	16,992	5,209	1,298	1,164	2,363	1,154	28,180	100
1915-16 ..	12,123	3,738	961	1,407	2,057	984	21,270	76
1916-17 ..	12,781	4,489	1,022	1,110	1,714	1,027	22,143	79
1917-18 ..	12,428	4,000	1,262	603	1,863	1,086	21,242	76
1918-19 ..	12,970	3,972	964	420	2,203	1,298	21,827	78
1919-20 ..	12,029	5,796	1,114	274	1,914	1,485	22,612	81
1920-21 ..	13,880	3,600	1,206	121	1,667	1,406	21,880	78
1921-22 ..	8,351	4,485	972	57	1,263	1,311	16,439	59
1922-23 ..	10,370	5,073	1,243	50	1,884	1,500	20,120	71
1923-24 ..	10,808	5,161	1,306	214	1,744	1,746	20,979	74
1924-25 ..	14,525	6,088	1,455	465	1,882	2,064	26,479	95
1925-26 ..	17,219	6,215	1,593	714	1,796	2,139	29,676	106
1926-27 ..	19,135	5,024	1,727	745	1,657	1,986	30,274	107
1927-28 ..	13,972	5,963	1,219	946	1,835	1,985	25,920	92
1928-29 ..	15,760	5,782	1,602	1,192	1,804	2,078	28,218	100
1929-30 ..	16,066	5,125	1,697	1,326	1,884	2,086	28,184	100
1930-31 ‡ ..	14,932	4,820	1,603	1,723	2,400	1,976	27,454	97

* 400-lb. bales. ‡ Estimates.

NOTE:—Figures taken from the tables published in the "Bombay Cotton Annual" issued by the East India Cotton Association.

TABLE NO. 5.

PRODUCTION AND CONSUMPTION OF RAW COTTON IN INDIA.

(*Indian Trade Journal* dated 28th *April* 1932.)

The following statement compares the estimates of the total outturn of cotton in India for the last two years with the sum of exports and internal consumption. The figures are those compiled by the Indian Central Cotton Committee and refer in the case of mills in British provinces to Indian cotton alone. The estimate of mill consumption in Indian States refers to all cotton, but it has been ascertained from the Indian Central Cotton Committee that the amount of foreign cotton consumed in Indian States is negligible. Import figures have not therefore been taken into consideration for the purposes of the comparison set forth below. A conventional estimate has as usual been made for extra factory or local consumption. It should be borne in mind that estimates of the "Carry-over" from one year to another have not been taken into account owing to complete information not being available regarding stocks.*

	Year ending 31st August	
	1931.	1930.
	Thousand bales (400 lbs.)	Thousand bales (400 lbs.)
Exports to United Kingdom	274	286
„ to Continent (Europe excluding United Kingdom)	1,003	1,515
„ to China	626	555
„ to Japan	1,753	1,409
„ to Other Countries	73	103
Total	3,729	3,868
Home Consumption—		
Mills†	2,271	2,373
Extra—factory or local‡	750	750
Total	3021	3,123
Approximate crop	6,750	6,991
Estimated in forecast	5,224	5,243
Excess (+) or deficit (—) neglecting carry-over	+1,526	+1,748

* Stocks of cotton in Bombay were 770,000 bales on 31st August 1930 and 685,000 bales on 31st August 1931.

† The figure of mill consumption is that compiled by the Indian Central Cotton Committee, Bombay, mainly on the basis of returns made under the Indian Cotton Cess Act.

‡ Conventional estimate.

TABLE NO. 6.

STATEMENT SHOWING THE STOCKS OF COTTON HELD BY INDIAN MILLS ON 1ST AUGUST 1931 AND ON 1ST FEBRUARY 1932.

(In bales regardless of weight).

	Bombay City and Island.		All-India.	
	1-8-31.	1-2-32.	1-8-31.	1-2-32.
COTTON MILL STOCKS.				
(In actual bales regardless of weight).				
(*a*) American (Linters and waste not included)	31,177	20,924	34,683	31,868
(*b*) East India	128,356	70,334	855,223	608,915
(*c*) Egyptian	10,775	7,352	26,733	19,017
(*d*) Sundries	16,988	13,484	41,051	33,396
Total	187,296	112,094	957,690	693,196

Figures from the Cotton Census taken at the request of the International Federation of Master Cotton Spinners' and Manufacturers' Associations.

(Figures are approximations.)

TABLE No. 7.

The following Table gives details of cotton arrivals into Bombay during the 1930-31 *season compared with the total of the nine previous years.*

(Actual weight converted into bales of 3½ cwts. each.) (Season ending 31st August in each case.)

NOTE.—The following figures are extracted from the daily returns issued by the Bombay Chamber of Commerce.

——	1921-22.	1922-23.	1923-24.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.	1930-31.
Khandeish	355,071	361,633	340,771	297,806	292,847	315,441	307,249	365,837	294,922	324,940
Central India	226,427	313,158	302,050	351,654	386,999	318,827	299,680	392,022	411,394	339,182
Barsi Naggar and Hyderabad Gaorani	373,985	346,392	310,279	308,365	299,702	274,592	437,759	348,875	355,162	255,074
Berar	763,045	666,233	647,314	574,520	479,843	578,454	730,789	792,419	731,747	593,289
Central Provinces	267,147	272,566	268,766	259,870	247,023	233,578	310,327	393,745	496,227	373,926
Dholleras	317,414	440,075	184,907	316,809	285,748	215,377	384,608	249,115	198,899	281,614
N. W. Provinces	170,053	84,929	122,536	133,887	131,256	59,570	65,213	62,338	140,446	93,552
Rajputana	153,576	135,270	90,203	84,216	117,015	66,045	56,155	51,886	58,599	53,365
Sind-Punjab	220,121	276,592	310,881	365,478	296,512	119,098	137,416	135,491	153,145	124,112
Broach	222,630	414,378	307,772	486,985	313,681	241,163	269,272	196,453	287,060	303,695
Compta Dharwar	147,400	132,693	187,493	222,650	168,007	142,453	145,150	137,799	160,648	98,274
Western Northerns	63,574	85,340	93,019	126,862	117,182	75,183	53,777	67,321	71,241	49,378
Coconada	8,365	4,182	2,888	2,403	3,302	495	7	6	103	24
Tinnevelly and Cambodia	64,238	47,384	30,322	41,369	68,875	50,161	37,082	40,357	46,250	46,276
Persians	3,226	5,737	9,764	6,904	5,627	5,719	5,770	1,774	704	1,438
Americans	23,058	1,632	2	9,649	28,130	379,120	102,910	11,719	15,889	*140,296
Egyptians	2,050	1,421	3,718	648	638	3,462	2,199	1,636	12,387	148.947
East Africans	....	51,069	77,932	74,289	88,569	85,988	78,119	107,747	134,533	179,473
Comilla, Burmah and Other Sorts	81,099	603	877	3,513	3,700	916	275	47	858	702
TOTAL ..	3,462,479	3,641,287	3,291,494	3,667,877	3,334,656	3,165,642	3,423,757	3,356,587	3,480,214	3,403,951

* Or 115,244 original bales of American cotton.

TABLE No. 8.

STATEMENT SHOWING THE WEEKLY PRICES OF COTTON IN BOMBAY (IN RUPEES PER CANDY OF 784 lbs.)

The figures are extracted from the Weekly Statistics of the East India Cotton Association, Ltd.

Week ending.	Bengal F. G.		Broach.		Oomra Fine.	
	Price.	Delivery.	Price.	Delivery.	Price.	Delivery.
1st January 1931		No	Quotations.			
8th ,,	137	Spot.	176	Apl./May.	148	Spot.
15th ,,	140	,,	181	,,	150	,,
22nd ,,	146	,,	186	,,	156	,,
29th ,,	143	,,	187	,,	154	,,
5th February	154	,,	200	,,	167	,,
12th ,,	157	,,	206	,,	171	,,
19th ,,	171	,,	221	,,	187	,,
26th ,,	169	,,	218	,,	188	,,
5th March	169	,,	217	,,	188	,,
12th ,,	158	,,	203	,,	178	,,
19th ,,	170	,,	209		188	,,
26th ,,	170	,,	207	,,	185	,,
2nd April		No	Quotations.			
9th ,,	158	Spot.	192	Apl./May.	173	Spot.
16th ,,	157	,,	194	,,	174	,,
23rd ,,	154	,,	190	,,	170	,,
30th ,,	146	,,	178	,,	160	,,
7th May	152	,,	183	,,	166	,,
14th ,,		No	Quotations.			
21st ,,	148	Spot.	175	Apl./May.	159	Spot.
28th ,,	140	,,	169	July/Aug	152	,,
4th June	143	,,	169	,,	153	,,
11th ,,		No	Quotations.			
18th ,,	No	Quotations.	174	July/Aug.	156	July.
25th ,,	No	Quotations.	190	,,	173	,,
2nd July	153	Spot.	188	,,	178	Spot.
9th ,,	146	,,	181	,,	172	,,
16th ,,	150	,,	175	,,	168	,,
23rd ,,	149	,,	180	,,	171	,,
30th ,,	143	,,	171	,,	158	,,
6th August	128	Dec./Jan.	160	,,	147	Dec./Jan.
13th ,,	122	,,	144	,,	136	,,
20th ,,	114	,,	135	,,	126	,,
27th ,,		No	Quotations.			
3rd September	117	Dec./Jan.	150	Apl./May.	132	Dec./Jan.
10th ,,	119	,,	152	1932.	132	,,
17th ,,	114	,,	147	,,	127	,,
24th ,,	124	Dec./Jan.	164	Apl./May.	140	Dec./Jan.
1st October	122	,,	162	,,	139	,,
8th ,,		No	Quotations.			
15th ,,	129	Dec./Jan.	172	Apl./May.	151	Dec./Jan.
22nd ,,	133	Dec./Jan.	176	Apl./May.	154	Dec./Jan.
29th ,,	134	,,	180	,,	155	,,
5th November	144	,,	188	,,	164	,,
12th ,,	146	,,	188	Apl./May.	166	Dec./Jan.
19th ,,	143	,,	183	,,	161	,,
26th ,,	159	Spot.	185	,,	169	,,
3rd December	168	,,	189	,,	191	Spot.
10th ,,	194	,,	199	,,	210	,,
17th ,,	180	,,	193	,,	213	,,
24th ,,	....	Market	closed.			
31st ,,	....	Market	closed.			

TABLE No. 9.

STOCKS OF YARN AND CLOTH HELD BY BOMBAY MILLS.

The following table shows the stocks of Yarn and Cloth held by Bombay Mills compiled from returns received by the Association :—

Date of Returns.	YARN STOCKS IN BALES. Approximation of stocks for all Bombay Mills.			CLOTH STOCKS IN BALES. Approximation of stocks for all Bombay Mills.		
	Sold but delivery not taken.	Unsold.	Total uncleared.	Sold but delivery not taken.	Unsold.	Total uncleared.
1928.						
January 31st	13,000	20,000	33,000	53,000	91,000	144,000
February 29th	10,000	21,000	31,000	47,000	107,000	154,000
March 31st	11,000	19,000	30,000	47,000	117,000	164,000
April 30th	10,000	13,000	23,000	43,000	116,000	159,000
May 31st	5,000	10,000	15,000	33,000	101,000	134,000
June 30th	3,000	7,000	10,000	41,000	68,000	109,000
July 31st	2,000	6,000	8,000	32,000	54,000	86,000
August 31st	1,000	6,000	7,000	27,000	47,000	74,000
September 30th	1,000	4,000	5,000	18,000	39,000	57,000
October 31st	2,000	3,000	5,000	16,000	37,000	53,000
November 30th	3,000	2,000	5,000	17,000	32,000	49,000
December 31st	4,000	2,000	6,000	19,000	31,000	50,000
1929.						
January 31st	6,000	3,000	9,000	28,000	38,000	66,000
February 28th	9,000	3,000	12,000	33,000	45,000	78,000
March 31st	9,000	4,000	13,000	35,000	53,000	88,000
April 30th	10,000	4,000	14,000	38,000	56,000	94,000
May 31st	6,000	4,000	10,000	33,000	49,000	82,000
June 30th	5,000	4,000	9,000	28,000	49,000	77,000
July 31st	5,000	4,000	9,000	34,000	45,000	79,000
August 31st	7,000	4,000	11,000	41,000	44,000	85,000
September 30th	8,000	5,000	13,000	41,000	43,000	84,000
October 31st	10,000	6,000	16,000	48,000	44,000	92,000
November 30th	11,000	5,000	16,000	48,000	45,000	93,000
December 31st	15,000	8,000	23,000	58,000	61,000	119,000
1930.						
January 31st	14,000	13,000	27,000	63,000	74,000	137,000
February 28th	13,000	17,000	30,000	70,000	86,000	156,000
March 31st	14,000	15,000	29,000	67,000	98,000	165,000
April 30th	17,000	13,000	30,000	70,000	96,000	166,000
May 31st	17,000	13,000	30,000	80,000	91,000	171,000
June 30th	16,000	15,000	31,000	84,000	103,000	187,000
July 31st	15,000	17,000	32,000	82,000	117,000	199,000
August 31st	12,000	19,000	31,000	78,000	123,000	201,000
September 30th	11,000	15,000	26,000	61,000	120,000	181,000
October 31st	10,000	14,000	24,000	55,000	109,000	164,000
November 30th	9,000	13,000	22,000	44,000	98,000	142,000
December 31st	9,000	15,000	24,000	43,000	109,000	145,000
1931.						
January 31st	11,000	12,000	23,000	46,000	100,000	146,000
February 28th	7,000	10,000	17,000	30,000	84,000	114,000
March 31st	10,000	12,000	22,000	39,000	84,000	123,000
April 30th	12,000	11,000	23,000	44,000	82,000	126,000
May 31st	15,000	14,000	29,000	55,000	84,000	139,000
June 30th	15,000	13,000	28,000	64,000	93,000	157,000
July 31st	14,000	11,000	25,000	75,000	96,000	171,000
August 31st	11,000	12,000	23,000	90,000	102,000	192,000
September 30th	6,000	11,000	17,000	63,000	101,000	164,000
October 31st	7,000	6,000	13,000	64,000	92,000	156,000
November 30th	7,000	6,000	13,000	63,000	72,000	135,000
December 31st	7,000	6,000	13,000	59,000	73,000	132,000

The rapid reduction in the cloth and yarn stocks at the end of 1928 was due to the fact that all the mills in the City and Island were closed down.

TABLE NO. 10.

AVERAGE WHOLESALE PRICES OF PIECEGOODS AND YARN PRODUCED BY BOMBAY MILLS

Date.	PIECEGOODS.			YARN.	
	Longcloth.	T. Cloths.	Chadars.	Twist. No. 10's.	Twist. No. 20's.
	As.	As.	As.	As.	As.
Year ending December 31st, 1905 ..	9.39	9.56	9.30	5 29/32	7.0
Year ending December 31st, 1906 ..	9.46	9.45	9.38	5 29/32	7 5/16
Year ending December 31st, 1907 ..		Not Available.			
Year ending December 31st, 1908 ..	9 7/16	9 1/16	8 15/16	5 3/32	6 1/4
Year endingDecember 31st, 1909 ..		Not Available.			
Year ending December 31st, 1910 ..	9 15/16	9 3/16	9 3/16	6 27/32	7 13/16
Year ending December 31st, 1911 ..		Not Available.			
Year ending December 31st, 1912 ..	10 13/16	10⅝	9⅞	7 5/32	8⅛
Year ending December 31st, 1913 ..		Not Available.			
Year ending December 31st, 1914 ..	9½	9 3/16	9 5/16	5⅝	6 23/32
Year ending December 31st, 1915 ..	9 1/16	8 7/16	8 7/16	5	6 1/32
Year ending December 31st, 1916 ..	11¾	11⅛	10⅜	6 7/16	8 9/32
Year ending December 31st, 1917 ..	17½	16 3/16	14 15/16	9 7/16	12 29/32
Year ending December 31st, 1918 ..	29⅛	26⅜	25½	16 29/32	20 31/32
Year ending December 31st, 1919 ..	26⅜	24 9/16	24¼	16 19/32	21 3/16
Year ending December 31st, 1920 ..	29¾	27¾	27 9/16	16 11/16	24⅛
Year ending December 31st, 1921 ..	26 3/16	24⅜	24 5/16	12 9/32	17
Year ending December 31st, 1922 ..	25 11/32	22¾	23⅜	12¼	16 15/16
Year ending December 31st, 1923 ..	21⅜	19 15/16	19 13/16	12 1/16	15 19/32
Year ending December 31st, 1924 ..	22¾	21⅛	20 9/16	14½	17 11/32
Year ending December 31st, 1925 ..	19¼	18 9/16	18 1/8	12 3/32	13 31/32

TABLE NO. 10—*contd.*

AVERAGE WHOLESALE PRICES OF GREY UNBLEACHED PIECEGOODS IN 1931.

	Longcloth Standard Quality 37×37½×9 Per lb.	Shirtings 35×38×9 Per lb.	Dhoties (up to ½" Nakhi border,) 32×9×1¾. Per lb.	Drills 29½×40×13½ Per lb.	T-cloths 30×24×6 Per lb.	Domestics 24×48×10 Per lb.	Domestics 26×61×11 Per lb.	Salita 40×66×25 Per lb.	Chadars 50×6×2¼ Per lb.	Khadi 28×24×7⅞ Per lb.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Year ending 31st December 1926	1 0 5	0 15 5	1 0 5	0 14 0	0 14 10	0 15 2	0 14 9	0 15 2	0 15 6	0 11 4
Year ending 31st December 1927	0 15 1	0 14 6	0 15 4	0 12 7	0 13 0	0 14 7	0 13 10	0 13 10	0 14 4	0 11 1
Year ending 31st December 1928	0 15 4	0 14 9	0 15 9	0 12 11	0 14 4	0 14 9	0 14 6	0 14 5	0 14 3	0 11 6
Year ending 31st December 1929	0 15 5	0 14 9	0 15 9	0 13 1	0 14 10	0 15 0	0 14 11	0 14 6	0 14 11	0 11 5
Year ending 31st December 1930	0 12 9	0 12 2	0 13 5	0 10 5	0 12 4	0 12 9	0 12 3	0 11 11	0 12 6	0 9 2
Fortnight ending :—										
2nd January, 1931	0 11 6	0 11 0	0 12 0	0 9 0	0 11 3	0 11 9	0 11 0	0 10 6	0 11 3	0 8 0
16th January, 1931	0 11 3	0 10 9	0 12 0	0 9 0	0 11 3	0 11 9	0 11 0	0 10 3	0 11 0	0 8 0
30th January, 1931	0 11 3	0 10 9	0 12 0	0 9 0	0 11 3	0 11 6	0 10 9	0 10 0	0 11 0	....
13th February, 1931	0 11 3	0 10 9	0 12 0	0 9 0	0 11 3	0 11 9	0 11 0	0 10 3	0 11 3	....
27th February, 1930	0 11 6	0 11 0	0 12 0	0 9 3	0 11 3	0 12 0	0 11 3	0 10 6	0 11 3	....
13th March, 1931	0 11 9	0 11 0	0 12 0	0 9 3	0 11 3	0 12 0	0 11 6	0 10 6	0 11 3	....
27th March, 1931	0 11 9	0 11 0	0 12 0	0 9 6	0 11 3	0 11 9	0 11 6	0 10 9	0 11 6	....
10th April, 1931	0 11 9	0 11 0	0 12 0	0 9 6	0 11 0	0 11 6	0 11 3	0 10 6	0 11 3	....
24th April, 1931	0 11 6	0 11 0	0 12 0	0 9 9	0 10 9	0 11 6	0 11 3	0 10 6	0 11 3	....
8th May, 1931	0 11 6	0 11 0	0 11 9	0 9 6	0 10 9	0 11 6	0 11 3	0 10 9	0 11 3	....
22nd May, 1931	0 11 9	0 11 0	0 11 6	0 9 9	0 11 0	0 11 9	0 11 3	0 11 0	0 11 6	....
5th June, 1931	0 11 6	0 10 9	0 11 9	0 10 6	0 11 0	0 11 9	0 11 3	0 10 9	0 11 3	....
19th June, 1931	0 11 3	0 10 9	0 11 9	0 10 6	0 11 0	0 11 6	0 11 3	0 10 9	0 11 0	....
3rd July, 1931	0 11 6	0 10 9	0 11 6	0 9 9	0 11 0	0 11 6	0 11 3	0 10 9	0 11 0	....
17th July, 1931	0 11 3	0 10 9	0 11 6	0 9 9	0 11 0	0 11 6	0 11 3	0 10 9	0 11 0	....
31st July, 1931	0 11 3	0 10 9	0 11 6	0 9 9	0 11 0	0 11 6	0 11 0	0 10 9	0 11 0	....
14th August, 1931	0 11 3	0 10 6	0 11 3	0 9 6	0 10 9	0 11 0	0 10 9	0 10 6	0 10 9	....
28th August, 1931	0 10 9	0 10 3	0 10 9	0 9 3	0 10 6	0 11 0	0 10 6	0 10 6	0 10 9	....
11th September, 1931	0 10 9	0 10 0	0 10 9	0 8 6	0 10 3	0 10 6	0 10 3	0 10 3	0 10 9	....
25th September, 1931	0 10 9	0 10 0	0 10 9	0 8 3	0 10 0	0 10 9	0 10 3	0 10 3	0 10 6	....
9th October, 1931	0 10 9	0 10 0	0 10 6	0 8 3	0 10 0	0 10 9	0 10 3	0 10 3	0 10 6	....
23rd October, 1931	0 10 9	0 10 0	0 10 9	0 8 3	0 10 0	0 11 0	0 10 3	0 10 3	0 10 6	....
6th November, 1931	0 11 0	0 10 0	0 10 9	0 8 6	0 10 0	0 11 0	0 10 3	0 10 6	0 10 9	....
20th November, 1931	0 10 9	0 10 0	0 10 6	0 8 6	0 10 3	0 11 0	0 10 6	0 10 6	0 10 9	....
4th December, 1931	0 10 9	0 10 0	0 10 6	0 9 0	0 10 3	0 11 0	0 10 6	0 10 6	0 10 9	....
18th December, 1931	0 10 9	0 10 0	0 10 6	0 9 0	0 10 3	0 11 3	0 10 9	0 10 9	0 10 9	....

NOTE:—Figures extracted from the current quotations issued by the Association.

TABLE NO. 10—*contd.*

AVERAGE WHOLESALE PRICES FOR WHITE AND COLOURED PIECEGOODS AND GREY YARN IN 1931.

	White Bleached.			Dyed Goods.		Fancy Goods.							Yarn (Price per lb.)						
	Long-cloth 36×40×10½ Per Piece	Striped Shirting 25×24×3½ (up to 15% Colour) Per piece	Twills 31½×40×7½ Per piece	Khadi. 50×40×20. Per piece	Dyed Long-cloth (Black) 35×38×9. Per piece	Dyed Long-cloth (napthol red) 45×26×3½. Per piece	Susi, Grey Weft. 24×24×2 11/16 (up to 20% colour Per piece	Susi, Check 22×24×3½ 50% colour) Per piece	Susi, Check. 22×24×3½ (100% colour) Per piece	Sholapur Coating 27×24×8½ (100% colour) Per piece	Sholapur Coating 27×24×6½ (100% colour) Per piece	Striped Drills. 24×24×5 (up to 20% colour) Per piece	Kashmere Cloth 24×24×4 (Cotton Dyed.) Per piece	Towels. 30×162/3×7 Per dozen.	4s Bump (nominal)	6½s. All Waste.	8½	10½	12½	16s.	20s.	24s.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Year ending 31st Dec. 1926	13 6 0	4 8 10	10 12 8	17 14 1	10 10 9	4 13 2	2 11 2	3 9 8	3 13 9	11 6 0	6 6 6	4 8 7	3 14 5	8 7 0	0 6 0	0 6 4	0 7 5	0 8 4	0 9 2	0 10 2	0 10 8	0 12 5
Do. 1927	13 1 6	4 4 9	9 14 7	Not quoted.	9 13 0	Not quoted.	2 9 3	3 2 9	3 6 0	10 6 10	5 12 4	4 5 7	3 11 1	7 10 0	0 6 0	0 6 11	0 8 0	0 8 8	0 9 9	0 10 3	0 10 10	11 4
Do. 1928	12 3 8	4 2 6	8 11 3	18 12 0	10 2 9	5 7 6	2 10 4	3 4 8	3 10 6	9 10 9	6 1 0	4 11 0	3 10 7	7 9 4	0 5 11	0 7 8	0 8 7	0 9 5	0 10 0	0 11 1	0 11 10	0 12 5
Do. 1929	12 2 4	4 2 5½	8 11 6	18 10 10	9 12 0	5 7 1	2 10 4	3 7 9	3 9 6	9 7 2	6 2 3	4 11 3	3 11 0	6 15 8	0 5 6	0 7 4	0 8 4	0 9 1	0 9 6	0 10 8	0 11 9	0 12 6
Do. 1930	11 2 3	3 12 0	6 1 2	17 3 9	8 8 5	5 4 10	2 1 7	3 0 6	3 4 3	8 4 8	5 5 0	3 14 8	3 1 6	5 14 4	0 4 4	0 5 7	0 6 5	0 6 10	0 7 3	0 8 6	0 9 2	0 9 9
Fortnight ending :	Not				Not		Not			Not					Not							
2nd January 1931	quoted.	3 6 0	6 2 0	15 0 0	8 2 6	quoted.	2 0 3	quoted.	quoted.	7 8 0	quoted.	quoted.	2 13 0	5 4 0	quoted.	0 4 9	0 5 3	0 5 9	0 6 0	0 7 0	0 7 6	0 8 0
16th January ,,	,,	3 6 0	6 2 0	15 0 0	8 2 6	,,	2 0 3	,,	,,	7 8 0	,,	,,	2 13 0	5 4 0	0 3 3	0 4 6	0 5 3	0 5 9	0 6 0	0 7 0	0 7 3	0 8 0
30th January ,,	,,	3 6 0	6 2 0	Not quoted.	8 2 6	,,	2 0 3	,,	,,	7 8 0	,,	,,	2 13 0	5 4 0	0 3 6	0 4 6	0 5 3	0 5 9	0 6 0	0 6 9	0 7 3	0 7 6
13th February ,,	,,	3 3 0	6 2 0	,,	8 2 6	,,	2 0 3	,,	,,	7 8 0	,,	,,	2 12 0	5 4 0	0 3 6	0 4 9	0 5 6	0 5 9	0 6 0	0 7 0	0 7 9	0 8 0
27th February ,,	,,	3 3 0	6 2 0	,,	8 2 6	,,	2 0 3	,,	,,	7 8 0	,,	,,	2 12 0	5 4 0	0 3 6	0 5 0	0 5 9	0 6 3	0 6 6	0 7 3	0 8 0	0 8 6
13th March ,,	,,	3 3 0	6 2 0	,,	8 4 9	,,	2 0 3	,,	,,	7 8 0	,,	,,	2 12 0	5 4 0	0 3 9	0 5 3	0 5 9	0 6 3	0 6 6	0 7 6	0 8 3	0 8 9
27th March ,,	,,	3 3 0	6 2 0	,,	8 4 9	,,	2 0 3	,,	,,	7 8 0	,,	,,	2 12 0	5 4 0	0 3 9	0 5 3	0 6 0	0 6 6	0 6 9	0 7 9	0 8 6	0 8 9
10th April ,,	,,	3 3 0	6 2 0	,,	8 4 9	,,	1 13 6	,,	,,	7 8 0	,,	,,	2 12 0	5 4 0	0 3 6	0 4 9	0 6 0	0 6 3	0 6 6	0 7 6	0 8 3	0 8 9
24th April ,,	,,	3 3 0	6 0 0	,,	8 4 9	,,	1 13 6	,,	,,	7 8 0	,,	,,	2 12 0	5 4 0	0 3 6	0 4 9	0 5 6	0 6 0	0 6 3	0 7 3	0 8 0	0 8 3
8th May ,,	,,	3 3 0	6 0 0	,,	8 4 9	,,	1 13 6	,,	,,	7 8 0	,,	,,	2 12 0	5 4 0	0 3 0	0 4 3	0 5 0	0 5 9	0 6 0	0 7 0	0 7 6	0 8 0
22nd May ,,	,,	3 3 0	5 14 0	,,	8 4 9	,,	1 11 0	,,	,,	7 8 0	,,	,,	2 12 0	Not quoted.	0 2 9	0 4 0	0 5 0	0 5 9	0 6 0	0 7 3	0 7 6	0 8 0
5th June ,,	,,	3 3 0	5 13 0	,,	Not quoted.	,,	1 11 0	,,	,,	7 8 0	5 8 0	,,	2 8 0	,,	0 2 9	0 4 0	0 5 0	0 5 6	0 6 0	0 7 0	0 7 3	0 8 0
19th June ,,	,,	3 3 0	5 10 0	,,	,,	,,	1 10 3	,,	,,	7 0 0	5 8 0	,,	2 8 0	,,	0 3 0	0 4 3	0 5 0	0 5 6	0 5 9	0 7 0	0 7 3	0 8 0
3rd July ,,	,,	3 3 0	5 10 0	,,	7 2 9	,,	1 10 3	,,	,,	7 0 0	5 8 0	,,	2 8 0	,,	0 3 3	0 4 3	0 5 3	0 5 6	0 6 0	0 7 0	0 7 6	0 8 3
17th July ,,	,,	3 2 0	5 10 0	,,	7 2 9	,,	1 9 3	,,	,,	7 0 0	5 8 0	,,	2 8 0	,,	0 3 0	0 4 3	0 5 3	0 5 6	0 6 0	0 7 0	0 7 6	0 8 3
31st July ,,	,,	3 2 0	5 10 0	,,	7 2 9	,,	1 9 3	,,	,,	7 0 0	5 8 0	,,	2 8 0	,,	0 2 9	0 3 9	0 5 0	0 5 6	0 5 9	0 6 9	0 7 3	0 8 0
14th August ,,	,,	3 2 0	5 10 0	,,	7 2 9	,,	1 9 3	,,	,,	7 0 0	5 8 0	,,	2 8 0	,,	0 2 9	0 3 9	0 4 9	0 5 3	0 5 6	0 6 6	0 7 0	0 7 9
28th August ,,	,,	2 14 0	5 10 0	,,	Not quoted.	,,	1 9 3	,,	,,	7 0 0	5 8 0	,,	2 8 0	,,	0 2 9	0 3 9	0 4 9	0 5 0	0 5 6	0 6 6	0 7 0	0 7 6
11th September ,,	,,	2 14 0	5 10 0	,,	,,	,,	1 9 3	,,	,,	7 0 0	5 8 0	,,	2 8 0	,,	0 2 9	0 3 6	0 4 9	0 5 0	0 5 6	0 6 6	0 7 0	0 7 6
25th September ,,	,,	2 14 0	5 8 0	,,	,,	,,	1 9 3	,,	,,	7 0 0	5 8 0	,,	2 8 0	,,	0 2 9	0 3 9	0 4 9	0 5 0	0 5 3	0 6 6	0 7 0	0 7 3
9th October ,,	,,	2 14 0	5 8 0	,,	,,	,,	1 9 3	,,	,,	7 0 0	5 8 0	,,	2 8 0	,,	0 2 9	0 3 9	0 4 9	0 5 0	0 5 3	0 6 3	0 6 9	0 7 3
23rd October ,,	,,	2 14 0	5 8 0	,,	,,	,,	1 9 3	,,	,,	7 0 0	5 8 0	,,	2 8 0	,,	0 2 9	0 4 0	0 5 0	0 5 3	0 5 6	0 6 6	0 7 0	0 7 6
6th November ,,	,,	2 14 0	5 12 0	,,	7 0 6	,,	1 11 0	,,	,,	7 0 0	5 8 0	,,	2 8 0	,,	0 3 0	0 4 0	0 5 0	0 5 3	0 5 6	0 6 6	0 7 3	0 7 9
20th November ,,	,,	2 14 0	5 14 0	,,	7 0 6	,,	1 11 0	,,	,,	7 0 0	5 8 0	,,	2 8 0	,,	0 3 3	0 4 3	0 5 3	0 5 6	0 5 9	0 6 9	0 7 3	0 7 9
4th December ,,	,,	Not quoted.	6 0 0	,,	7 0 6	,,	1 11 0	,,	,,	7 0 0	5 8 0	,,	2 8 0	,,	0 3 6	0 4 3	0 5 6	0 5 9	0 6 0	0 6 9	0 7 6	0 8 0
18th December ,,	,,	,,	6 2 0	,,	7 0 6	,,	1 11 0	,,	,,	7 0 0	5 8 0	,,	2 8 0	,,	0 3 3	0 4 3	0 5 9	0 6 0	0 6 3	0 7 0	0 7 9	0 8 0

TABLE NO. II.

EXCHANGE VARIATIONS IN 1931 FOR TELEGRAPHIC TRANSFERS, DEMAND DRAFTS AND THE PRICE OF SILVER.

1931.		Bombay/ London. Selling T. T. Rate.	Bombay/ Yokohama Per 100 yens Selling T. T. Rate.	Bombay/ Hongkong Per 100 dollars Selling D.D. Rate.	Bombay/ Shanghai Per 100 taels. Selling D.D. Rate.	Bombay/ New York Per 100 dollars. Selling D.D. Rate.	Price in Bombay for 100 tolas of ready silver.
		s.	Rs.	Rs.	Rs.	Rs.	Rs. a. p.
Jany.	Highest	1/5 3/4	137 7/8	75 1/8	96 1/2	278 3/4	44 3 0
	Lowest	1/5 3/4	137 3/8	67 1/8	87	278	41 5 0
Feby.	Highest	1/5 3/4	137 3/4	69 7/8	87 7/8	278 1/4	44 4 0
	Lowest	1/5 3/4	137 1/2	62 3/8	79 3/4	278	39 0 0
March	Highest	1/5 7/8	137 1/2	73 3/8	94 3/4	278 1/4	45 14 0
	Lowest	1/5 3/4	136 3/8	63 3/8	82	276	41 10 0
April	Highest	1/5 27/32	137	69 3/8	89 1/2	277 1/4	44 14 0
	Lowest	1/5 13/16	136 3/4	67 1/8	85	276 1/4	41 12 0
May	Highest	1/5 27/32	137 1/8	68 1/4	87	277	44 5 0
	Lowest	1/5 25/32	136 3/4	64 3/8	79 1/2	276 1/2	42 6 0
June	Highest	1/5 25/32	137 1/2	72 3/8	92 1/2	278	45 7 0
	Lowest	1/5 3/4	136 7/8	64 3/8	79 3/4	277	41 13 0
July	Highest	1/5 13/16	137 1/2	73 1/8	92 1/2	278 1/2	45 4 0
	Lowest	1/5 3/4	136 5/8	65 3/8	85 1/4	277	43 3 0
Aug.	Highest	1/5 3/4	137 1/2	68 3/8	85 3/4	278 3/4	44 8 0
	Lowest	1/5 3/4	137 3/8	65 3/8	81 3/4	276 3/4	43 3 0
Sept.	Highest	1/5 3/4	185	97 1/8	117 1/2	372	57 0 0
	Lowest	1/5 23/32	137 1/2	66 3/8	83 1/2	278 1/4	43 3 0
Octr.	Highest	1/6 1/16	178	90 1/2	115 1/4	360	58 8 0
	Lowest	1/5 3/4	169	83 1/8	104 1/2	339	53 0 0
Novr.	Highest	1/6 5/32	187 1/2	101 3/8	130 1/4	379	66 8 0
	Lowest	1/6 1/32	170	87 3/8	114	349	57 14 0
Decr.	Highest	1/6 1/8	204	102 3/8	134 3/4	414 1/2	64 5 0
	Lowest	1/6 1/32	144	94 1/8	124 1/4	384 1/2	59 10 0

NOTE:—These figures were supplied by Messrs. Premchand Roychand & Sons Exchange Brokers, Bombay.

TABLE No. 12.

STATEMENT SHOWING THE QUANTITY OF YARN SPUN IN INDIA.

(In thousands of pounds.)

	1912-13.	1913-14.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24. *	1924-25.	1925-26. *	Calendar Year. 1926.	Calendar Year 1927.	Calendar Year 1928. §	Calendar Year 1929. §	Calendar Year 1930.	Calendar Year 1931.
BRITISH INDIA—																				
1 to 10	132,432	125,722	125,503	139,726	107,143	98,391	84,663	81,044	81,180	94,251	97,605	80,123	87,505	89,339	110,470	104,601	54,412	94,387	101,283	104,200
11 to 20	346,054	339,958	322,113	362,372	347,767	325,045	292,365	321,738	334,403	345,887	348,815	299,062	343,396	316,531	353,712	353,501	250,954	322,659	338,667	362,721
21 to 30	149,355	156,837	146,454	160,425	161,469	173,794	180,216	174,240	188,824	193,330	197,325	168,219	205,347	191,063	221,702	240,298	181,581	233,098	233,630	253,019
31 to 40	19,144	18,971	18,199	18,021	23,260	23,600	18,583	16,535	14,868	16,707	15,836	19,143	18,774	18,498	24,849	29,808	33,066	43,185	53,411	64,251
Above 40	2,935	2,686	2,213	1,960	4,461	5,748	4,503	3,542	2,067	2,364	2,195	3,255	5,809	5,816	10,292	11,685	9,206	13,839	22,751	31,987
Wastes	661	679	475	651	346	223	231	256	314	472	162	324	330	1,319	2,590	5,925	5,227	6,375	5,983	4,891
TOTAL ..	650,582	644,853	614,957	683,155	644,447	626,801	580,561	597,355	621,655	653,011	661,936	570,125	661,162	623,371‡	723,903†	745,819	534,442	713,543	755,725	821,069
NATIVE STATES—																				
1 to 10	4,570	5,062	5,506	5,581	3,539	2,061	2,657	3,143	2,763	4,816	5,375	4,721	5,291	6,385	5,935	7,911	8,756	10,421	11,150	12,997
11 to 20	23,339	21,951	21,213	23,816	22,166	20,957	22,175	25,262	25,125	25,565	26,802	28,005	33,619	32,493	37,046	49,643	48,966	55,315	64,166	66,102
21 to 30	9,481	10,158	9,786	9,319	10,019	9,874	8,989	9,417	10,262	9,832	11,634	13,758	18,465	22,726	23,594	24,064	27,334	30,815	31,603	31,309
31 to 40	497	741	502	552	821	789	606	545	156	94	94	524	593	1,239	1,797	1,835	2,304	2,534	3,245	3,971
Above 40	2	12	19	3	116	94	53	18	....	26	....	6	14	18	142	212	254	373	861	1,174
Wastes	....	....	....	....	....	....	....	19	41	20	52	190	247	196	187	484	256	268	275	283
TOTAL ..	37,890	37,924	37,028	39,270	36,660	33,775	34,480	38,405	38,347	40,452	43,958	47,204	58,228	63,057	68,702	84,149	87,870	99,726	111,300	115,835
GRAND TOTAL, BRITISH INDIA AND NATIVE STATES—																				
1 to 10	137,002	130,784	131,010	145,307	110,682	100,452	87,320	84,188	83,943	99,067	102,978	84,843	92,796	95,724	116,415	112,512	63,168	104,809	112,432	117,197
11 to 20	369,393	361,909	343,326	386,188	369,933	346,002	314,541	347,000	359,527	371,452	375,617	327,067	377,015	349,024	390,759	403,144	299,920	377,974	402,833	428,823
21 to 30	158,836	166,995	156,240	169,744	171,488	183,667	189,204	183,657	199,086	203,162	208,959	181,977	223,812	213,789	245,295	264,362	208,915	263,913	265,233	284,328
31 to 40	19,642	19,712	18,701	18,573	24,082	24,389	19,189	17,080	15,024	16,900	15,930	19,667	19,368	19,737	26,645	31,643	35,370	45,719	56,657	68,222
Above 40	2,938	2,699	2,233	1,963	4,577	5,842	4,555	3,560	2,067	2,389	2,195	3,261	5,822	5,834	10,435	11,899	9,454	14,212	23,612	33,161
Wastes	661	679	475	651	346	223	231	275	355	492	214	514	578	1,515	2,777	6,409	5,483	6,643	6,258	5,174
GRAND TOTAL ..	688,473	682,777	651,985	722,425	681,107	660,576	615,040	635,760	660,003	693,463	705,894	617,329	719,390	686,428‡	792,606†	829,968	622,312	813,269	867,025	936,904

* During the years 1923-24 and 1925-26 all the mills in the City and Island of Bombay were closed for about 2 months and 2½ months respectively.

‡ Includes 805 lbs. for which details are not known.

† Do. 288 do. do.

Note.—The periods covered by all the Statistics included in the report are, unless otherwise stated, official years ending 31st March.

§ During the year 1928 all the mills in the City and Island of Bombay were closed for about 6 months and for about 4½ months during 1929.

TABLE NO. 13.

STATEMENT SHOWING THE QUANTITY OF YARN SPUN IN BOMBAY CITY AND ISLAND.

(In thousands of pounds.)

Descriptions.	1912-13.	1913-14.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.*	1924-25.	1925-26.*	Calendar Year 1926.	Calendar Year 1927.	Calendar Year 1928.	Calendar Year 1929.	Calendar Year 1930.	Calendar Year 1931.
Nos. 1 to 10..	95,429	89,352	88,219	97,875	73,500	71,167	55,970	56,406	58,242	71,274	74,226	56,123	61,164	56,982	75,498	66,995	28,436	54,055	54,381	53,321
Nos. 11 to 20..	188,102	186,217	162,658	197,320	198,700	186,336	151,433	173,435	183,839	175,505	171,828	125,910	156,150	116,959	152,442	142,755	58,298	105,766	103,861	115,740
Nos. 21 to 30..	74,851	74,751	66,553	77,108	77,591	90,916	90,604	81,274	94,134	94,753	95,406	79,538	98,955	79,114	102,169	110,397	48,697	81,295	85,229	101,541
Nos. 31 to 40..	4,421	3,831	4,017	3,832	4,824	6,991	6,669	5,161	5,178	6,000	5,587	6,605	7,961	5,885	8,858	11,290	8,024	12,891	20,517	27,206
Above 40	837	822	600	557	1,226	1,847	1,447	1,405	921	989	1,028	1,338	3,212	2,503	3,834	5,306	2,769	4,768	9,053	12,351
Wastes, etc. ..	41	52	106	51	58	32	67	38	143	173	24	73	101	520	1,085	1,204	628	967	576	745
TOTAL ..	363,681	355,025	322,153	376,743	355,899	357,289	306,190	317,719	342,457	348,694	348,099	269,587	327,543	261,963	343,887	337,948	146,853	250,741	273,617	310,903

* Please see footnote to table 12 regarding strikes in Bombay Mills.

TABLE NO. 14.

DETAILED STATEMENT OF THE QUANTITY AND DESCRIPTION OF WOVEN GOODS PRODUCED IN INDIAN MILLS.

GRAND TOTAL, INDIA (British India and Indian States).

(Figures in thousands.)

Description.		1912-13	1913-14.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.	1925-26.	Calendar Year 1926.	Calendar Year 1927.	Calendar Year 1928.	Calendar Year 1929.	Calendar Year 1930.	Calendar Year 1931.
GREY AND BLEACHED PIECEGOODS'																					
Chadars	Yards ..	75,396	69,870	65,603	75,163	67,761	54,049	37,914	68,093	59,194	59,428	63,202	58,003	61,614	62,076	65,106	66,659	55,669	65,342	57,500	54,520
Dhutis	Yards ..	291,476	284,770	258,974	323,640	300,949	325,017	369,357	337,692	340,128	455,637	431,145	399,214	458,404	516,394	590 425	614,199	551,131	726,656	829,348	941,393
Drills and Jeans	Yards ..	28,931	27,813	30,789	46,329	56,503	78,611	54,284	80,845	74,305	60,452	56,306	54,974	77,191	74,150	80,076	90,872	73,668	98,330	80,327	100,232
Cambrics and Lawns	Yards ..	7,053	5,053	3,545	5,701	6,379	8,277	5,195	8,473	5,951	7,347	5,554	3,649	5,395	3,167	3,135	4,988	5,204	3,132	17,236	37,574
Printers	Yards ..	29,450	30,384	28,007	26,900	31,599	26,593	23,067	29,837	28,284	35,622	39,073	34,831	32,777	25,872	22,513	20,876	21,630	18,751	19,294	21,764
Shirtings and Longcloth	Yards ..	302,624	292,488	320,705	419,625	427,753	450,630	393,779	444,501	456,240	487,034	470,549	443,848	525,524	521,126	587,363	612,076	466,134	581,417	605,150	769,607
T-cloth, Domestics and Sheetings ..	Yards ..	148,095	128,969	134,288	151,401	192,132	137,396	110,511	122,402	97,388	84,117	81,002	68,075	77,742	74,073	83,806	98,233	72,057	90,270	104,404	149,956
Tent Cloth	Yards ..	5,782	5,814	8,962	11,844	17,181	24,550	36,870	5,671	7,508	7,255	6,588	6,573	9,894	9,005	7,907	5,960	6,791	7,458	9,268	5,126
Khadi, Dungree or Khaddar ..	Yards ..	....	....	....	....	..	..	..	..	..	..	..	..	87,153	87,406	96,625	118,738	88,226	123,329	165,678	124,074
Other Sorts	Yards ..	25,384	27,286	29,627	34,264	35,913	35,899	45,733	66,649	60,886	87,859	118,371	128,488	46,675	44,035	43,406	43,252	33,573	44,960	39,587	49,532
TOTAL ..	Yards ..	914,191	872,446	880,502	1,094,867	1,136,170	1,141,022	1,076,711	1,164,073	1,129,883	1,284,752	1,271,790	1,197,654	1,382,368	1,414,304	1,580,362	1,675,853	1,374,083	1,756,644	1,927,791	2,253,779
Coloured Piecegoods	Yards ..	306,251	291,846	255,206	346,647	441,962	473,105	374,015	475,706	450,967	446,822	453,494	503,920	588,078	540,157	645,153	695,996	486,149	600,741	566,315	646,703
Grey and Coloured Goods other than Piecegoods	Dozens.	415	638	512	653	660	706	721	659	707	629	1,213	514	611	956	1,074	956	781	1,155	913	782
Cotton Goods mixed with Silk or Wool	Pounds .	....	....	....	....	43	253	307	204	227	178	165	207	272	708	1,876	4,278	3,448	3,382	3,514	3,389
Grand Total	Pounds	....	....	....	....	43	253	307	204	227	178	165	207	272	708	1,876	4,278	3,448	3,382	3,514	3,389
	Yards	1.220,443	1,164,292	1,135,708	1,441,515	1,578,133	1,614,126	1,450,726	1,639,779	1,580,850	1,731,573	1,725,284	1,701,574	1,970,447	1,954,461	2,225,515	2,371,849	1,860,232	2,357,385	2,494,106	2,900,482
	Dozens	415	638	512	653	660	706	721	659	707	629	1,213	514	611	956	1,074	956	781	1,155	913	782

Until the year 1924-25, Khadi, Dungree or Khaddar production was included in 'other sorts.' Similarly, mixed cotton goods were not shown separately until 1916-17.

Previous to 1st April 1926, the *actual* production figures of cloth were not recorded, the figures given in the tables relate to the quantities on which excise duty had become payable. (See Cotton Duties Act of 1896 for detailed interpretation of the term 'manufactured.') (Please see footnote to table 12 regarding strikes in Bombay Mills.)

TABLE NO. 15.

DETAILED STATEMENT OF THE QUANTITY AND DESCRIPTION OF WOVEN GOODS PRODUCED IN BOMBAY CITY AND ISLAND.

(Figures in thousands.)

Description of Goods.		1912-13.	1913-14.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.	1925-26.	Calendar Year 1926.	Calendar Year 1927.	Calendar Year 1928.	Calendar Year 1929.	Calendar Year 1930.	Calendar Year 1931.
GREY AND BLEACHED GOODS—																					
Chadars	Yds.	39,726	35,962	28,819	33,336	31,655	27,816	14,820	29,010	25,102	28,248	25,239	24,318	25,734	26,795	29,995	31,057	13,644	19,279	18,935	16,576
Dhuties	,,	54,701	56,703	46,726	61,727	48,341	65,429	88,605	78,919	77,547	121,793	102,025	97,624	110,997	115,412	145,998	170,800	80,484	159,927	224,301	278,577
Drills and Jeans	,,	14,865	14,838	17,567	29,660	36,452	55,596	33,292	50,170	46,034	35,504	31,523	33,294	49,907	38,408	49,323	58,202	36,514	55,743	46,294	66,263
Cambrics and Lawns ..	,,	5,951	3,636	2,831	3,476	4,075	5,269	3,190	3,897	2,470	4,448	2,186	1,560	2,443	1,449	340	1,856	2,216	840	4,176	14,706
Printers	,,	123	278	79	116	122	61	314	449	376	1,479	1,674	280	165	1,041	927	..	..	26	13	1,047
Shirtings and Longcloths ..	,,	198,955	189,617	201,048	269,383	236,283	297,201	233,227	255,628	270,724	311,600	289,340	278,940	326,482	306,776	371,738	380,759	179,243	272,161	319,384	414,754
T-Cloths, Domestics and Sheetings	,,	92,935	78,322	84,275	108,768	144,514	93,344	64,672	82,792	66,848	53,722	48,427	39,457	45,034	36,195	42,239	46,105	18,233	25,345	33,133	66,817
Tent Cloth	,,	1,684	1,535	3,103	5,642	7,189	8,820	21,026	2,745	2,924	2,499	1,924	1,488	2,261	2,205	2,399	1,330	1,626	1,842	1,644	698
Khadi, Dungri or Khaddar ..	,,	..	..	..	..	..	..	..	..	..	..	..	..	30,574	27,514	46,721	55,340	18,332	34,186	58,677	27,769
Other Sorts	,,	6,792	7,941	7,418	7,773	6,662	9,644	12,669	14,827	12,313	26,633	44,980	45,897	11,549	10,302	10,898	13,595	8,179	14,581	14,116	18,111
TOTAL ..	,,	415,732	388,834	391,867	519,881	515,292	563,180	471,814	518,436	504,339	585,926	547,318	522,859	605,145	566,097	700,581	759,044	358,472	583,929	720,674	905,318
COLOURED PIECEGOODS ..	Yds.	226,370	203,531	170,456	251,385	314,893	369,958	286,090	344,856	332,168	336,001	322,966	333,024	380,883	305,744	386,085	409,377	186,974	278,103	239,193	268,712
GREY AND COLOURED GOODS OTHER THAN PIECEGOODS.	Doz.	246	478	348	478	532	581	616	486	503	420	487	349	429	721	784	656	427	700	458	315
COTTON GOODS MIXED WITH SILK OR WOOL	Lbs.	..	..	..	..	15	96	113	58	113	64	99	139	115	468	1,140	2,105	847	708	1,090	1,749
GRAND TOTAL ..	Yds.	642,102	592,365	562,323	771,266	830,185	933,138	757,904	863,292	836,507	921,927	870,285	855,883	986,028	871,841	1,086,666	1,168,421	545,446	862,032	959,867	1,174,030
	Doz.	246	478	348	478	532	581	616	486	503	420	487	349	429	721	784	656	427	700	458	315
	Lbs.	..	..	..	..	15	96	113	58	113	64	99	139	115	468	1,140	2,105	847	708	1,090	1,749

NOTE.—Until the year 1924-25, Khadi, Dungree or Khaddar production was included in 'other sorts.' Similarly, mixed cotton goods were not shown separately until 1916-17.
Previous to 1st April 1926, the *actual* production figures of cloth were not recorded, the figures given in the tables relate to the quantities on which excise duty had become payable. (See Cotton Duties Act of 1896 for detailed interpretation of the term 'manufactured.')
See footnote to Table 12 for strikes in Bombay Mills.

TABLE No. 16.

IMPORTS OF COTTON YARN INTO INDIA.

(Quantities in thousands of pounds.)

Classifications of Yarn.	'12-13.	'13-14.	'14-15.	'15-16.	'16-17.	'17-18.	'18-19.	'19-20.	'20-21.	'21-22.	'22-23.	'23-24.	'24-25.	'25-26.	Calendar Year 1926.	Calendar Year 1927.	Calendar Year 1928.	Calendar Year 1929.	Calendar Year 1930.	Calendar Year 1931.
GREY SINGLES—																				
1s to 10s	180	97	79	113	29	16	99	41	216	91	89	107	99	80	85	354	17	103	10	..
11s to 15s	108	43	46	69	99	63	99	114	148	55	36	102	81	22	26	551	30	6	5	10
16s to 20s	816	511	68	131	614	70	7,660	182	6,993	6,555	12,652	6,377	6,629	4,201	2,008	1,069	748	836	334	143
21s to 25s	406	227	34	71	5	23	..	32	128	900	449	231	168	168	136	140	357	78	49	5
26s to 30s	2,546	2,845	4,732	3,587	884	446	1,927	531	3,436	4,063	4,650	893	677	415	202	348	127	245	163	425
31s to 40s	10,665	8,833	9,255	8,454	4,800	2,255	12,805	2,079	13,885	19,035	21,061	12,943	21,383	21,680	20,924	25,049	13,826	15,996	14,897	13,025
41s to 50s	2,585	3,062	2,892	2,731	1,580	1,413	3,316	1,061	1,429	2,517	2,131	2,078	1,983	1,288	2,031	1,324	1,118	937	600	257
Above 50s	3,926	3,470	2,886	2,997	2,117	1,346	2,718	..	(See classifications below) & foot note.									..	..	..
51s to 60s	..	..	..	..	..	..	..	767	1,776	2,708	1,772	2,490	3,123	2,883	3,559	3,019	4,357	4,638	1,792	2,445
61s to 100s	..	..	..	..	..	..	..	1,143	851	2,742	1,957	2,463	1,997	1,756	2,000	1,705	1,961	1,956	1,064	901
Above 100s	..	..	..	..	..	..	..	50	37	135	123	137	114	242	165	117	137	153	137	113
GREY TWO FOLDS (Doubles)	..	..	..	..	..	..	..	840	3,183	4,974	4,063	3,434	5,023	5,222	5,799	6,656	3,815	5,600	3,072	3,440
WHITE (BLEACHED)	..	..	..	..	..	..	..	1,077	2,040	2,520	1,894	2,650	3,427	3,751	4,112	4,985	4,555	5,570	4,132	3,614
COLOURED SINGLES.—																				
1s to 20s	1,204	603	283	519	562	205	132	120	234	260	292	271	361	469	293	445	266	201	197	177
21s to 25s	1,433	669	305	436	583	355	461	308	304	319	352	242	309	375	396	220	248	200	204	208
26s to 30s	909	842	617	739	497	155	136	136	321	174	58	100	257	160	199	114	78	28	23	25
31s to 40s	17,275	14,825	14,238	12,834	11,218	7,810	3,980	4,773	8,958	7,705	5,596	6,864	6,305	4,614	4,165	4,167	2,176	3,126	1,196	552
41s to 50s	999	451	521	904	587	403	221	92	455	221	5	68	50	84	232	87	52	92	40	48
Above 50s	1,258	876	722	880	602	408	480	478	473	558	235	503	391	433	533	459	270	446	248	181
COLOURED TWO FOLDS (Doubles)	..	..	..	..	..	..	..	448	1,060	772	490	598	810	973	694	579	498	433	420	280
MERCERISED COTTON YARN	..	..	1,819	1,175	1,742	1,135	902	470	1,280	794	1,320	2,019	2,664	2,845	4,165	5,181	3,895	5,874	3,674	4,624
UNSPECIFIED DESCRIPTION	5,724	6,818	4,368	4,788	3,609	3,297	3,161	353	127	24	49	4	57	27	29	76	27	30	11	21
SEWING THREAD	1,772	1,705	1,191	1,920	2,384	1,755	1,360	1,705	1,496	1,004	1,230	1,534	1,660	2,154	2,135	2,387	2,085	2,360	2,049	1,815
ARTIFICIAL SILK YARN	..	..	..	..	..	..	51	168	74	71	225	406	1,171	2,671	4,012	8,478	6,927	7,992	6,016	8,045
TOTAL ..	51,807	45,876	44,055	42,347	31,914	21,155	39,506	16,970	48,903	58,200	60,729	46,515	58,738	56,513	57,90c	67,509	47,570	56,900	40,34[2]	40,353

NOTE:—Before the year 1919-20 all yarns above 50 Counts were grouped as "above 50s." It was only in 1920 that Government introduced the three additional classifications, viz, 51s to 60s, 61s to 100s, and above 100s. Before 1919-20 Greyfolds (doubles), white bleached, and Coloured two folds were not separatley shown. The same remark applies to mercerised yarn prior to 1914-15 and artificial silk yarn prior to 1918-19; previously they were included in the general heading "unspecified descriptions."

TABLE No. 17.

IMPORTS OF COTTON YARN INTO BOMBAY.

(Quantities in thousands of pounds.)

Classifications of Yarn.	'12-13.	'13-14.	'14-15.	'15-16.	'16-17.	'17-18.	'18-19.	'19-20.	'20-21.	'21-22.	'22-23.	'23-24.	'24-25.	'25-26.	Calendar Year 1926.	Calendar Year 1927.	Calendar Year 1928	Calendar Year 1929.	Calendar Year 1930.	Calendar Year 1931.
GREY SINGLES—																				
1s to 10s	..	64	22	2	..	1	97	40	110	49	80	73	17	30	..	260	16	102	10	..
11s to 15s	..	..	..	..	..	1	42	71	29	8	..	..	4	4	5	541	13	..	..	1
16s to 20s	669	420	10	41	491	6	6,265	144	5,295	4,716	8,445	4,003	2,044	1,365	299	226	6	40	23	16
21s to 25s	322	196	1	25	1	19	..	8	73	737	300	41	37	..	6	3	228	..	1	..
26s to 30s	1,940	2,135	4,008	3,205	779	436	1,384	451	2,362	3,354	4,486	833	574	397	152	210	89	182	106	8
31s to 40s	3,635	3,650	3,154	4,128	1,671	953	8,208	1,046	7,510	10,300	11,244	8,238	11,933	12,874	12,250	15,820	6,075	6,334	3,282	3,183
41s to 50s	1,382	1,378	1,464	1,466	1,044	867	3,089	775	682	1,673	1,482	1,372	1,358	743	884	856	521	588	422	69
Above 50s	1,515	1,822	1,301	1,214	1,103	734	1,864	..	(See classifications below) & footnote.											..
51s to 60s	..	..	..	..	..	..	..	564	784	912	343	297	627	926	665	649	1,132	1,047	327	67
61s to 100s	..	..	..	..	..	..	..	509	381	1,178	838	888	803	385	654	427	321	448	237	48
Above 100s	..	..	..	..	..	..	..	8	22	33	13	17	39	127	41	51	19	22	37	..
GREY TWO FOLDS (Doubles)	..	..	..	..	..	..	..	839	3,089	3,948	3,564	2,888	3,954	4,123	5,521	5,323	3,124	4,509	2,240	2,504
WHITE (BLEACHED)	..	..	..	..	..	..	..	587	1,234	1,482	1,060	1,585	1,916	1,990	2,217	2,525	2,144	2,099	1,806	1,668
COLOURED SINGLES.—																				
1s to 20s	52	52	1	40	34	1	..	2	24	2	7	3	36	3	..	1	..	2	1	1
21s to 25s	7	9	5	5	4	3	..	..	13	1	2	..	..	..	1	..	2	1	1	..
26s to 30s	181	238	174	182	133	44	30	49	91	72	35	8	61	22	4	13	16	7	5	..
31s to 40s	2,336	2,077	1,719	2,241	1,874	871	445	630	1,172	1,146	443	892	753	376	339	254	171	240	50	23
41s to 50s	19	7	1	198	183	10	79	71	100	211	..	58	31	57	62	86	43	26	13	22
Above 50s	48	74	59	33	37	13	17	5	16	25	1	6	13	27	8	..	2	..	..	..
COLOURED TWO FOLDS (Doubles)	..	..	..	..	..	..	..	306	2,743	566	242	385	487	463	430	213	123	84	50	6
MERCERISED COTTON YARN	..	..	1,530	1,020	1,612	1,047	874	453	1,209	770	1,286	1,964	2,607	2,731	4,076	5,162	3,799	5,502	3,045	4,123
UNSPECIFIED DESCRIPTION	3,147	3,480	1,437	1,413	895	1,048	707	..	..	..	..	..	22	11	2	6	27	20	4	17
SEWING THREAD	534	504	384	695	1,383	906	642	412	545	384	465	601	681	721	664	822	721	830	747	661
ARTIFICIAL SILK YARN	..	..	..	..	..	..	51	168	69	63	201	356	879	2,002	3,367	7,295	4,981	4,996	3,087	5,540
TOTAL ..	15,785	16,106	15,268	15,908	11,245	6,962	23,794	7,139	25,556	31,631	34,535	24,509	28,875	29,376	31,647	40,743	23,573	27,080	15,494	17,958

(See footnote to Table 16.)

TABLE No. 18.

STATEMENT SHOWING THE VARIOUS CLASSES OF PIECE-GOODS IMPORTED INTO BRITISH INDIA.

(Quantities in thousands of yards.)

DESCRIPTION.	1912-13.	1913-14.	1914-15.	1915-16.	1916-17	1917-18	1918-19	1919-20	1920-21	1921-22	1922-23	1923-24	1924-25	1925-26.	Calendar Year 1926.	Calendar Year 1927.	Calendar Year 1928.	Calendar Year 1929.	Calendar Year 1930.	Calendar Year 1931.
PIECE-GOODS.																				
GREY, UNBLEACHED (PLAIN AND BORDERED):—																				
Chadars	3,812	2,800	3,161	1,784	1,647	263	1	296	439	367	634	730	831	780	1,052	1,084	954	1,193	318	23
Dhuties, Saris, etc.	724,089	806,067	666,236	610,338	520,161	398,001	304,314	348,193	291,255	383,411	506,657	432,658	489,881	429,271	509,089	508,666	454,127	490,653	304,944	87,149
Drills and Jeans	28,767	21,288	18,903	23,187	21,171	7,575	13,673	9,811	17,616	16,123	14,275	16,802	17,282	19,427	15,329	14,802	10,132	13,179	5,411	2,862
Flannels	..	..	..	..	..	36	19	..	2	..	412	6	61	19	22	16	12	2	298	4
Jaconets and Madapollams	142,000	150,364	117,472	101,699	82,935	62,730	48,909	40,764	39,061	55,176	83,594	72,983	89,407	57,039	74,327	76,779	77,113	58,518	29,496	22,264
Longcloth	622,134	545,388	514,540	406,478	184,919	122,847	159,611	114,484	181,893	129,364	280,131	119,036	206,741	171,327	166,635	242,408	207,860	344,623	213,600	130,970
Printers	433	60	..	..	..	..	..	..	..	..	..	..	13	4	2	..	..	22	6	..
Sheetings	1,740	151	742	1,833	35,092	30,272	53,793	17,778	46,358	50,164	44,516	60,742	39,361	30,413	19,870	24,000	8,652	14,296	4,471	4,715
T-cloth and Domestics	10,268	6,377	4,544	2,177	121	2,815	2,696	1,564	2,942	388	584	510	531	482	369	576	95	113	89	28
Unspecified Sorts	1,887	1,695	637	752	944	936	403	451	642	605	221	488	1,394	323	210	498	979	2,298	1,433	1,558
TOTAL	1,535,129	1,534,189	1,320,235	1,148,247	846,990	625,475	583,420	533,341	580,208	635,608	931,025	703,956	845,502	709,085	786,906	868,829	759,925	924,898	560,066	249,572
WHITE, BLEACHED:—																				
Chadars	1,847	2,673	1,937	689	1,538	679	173	419	479	396	414	487	718	277	311	251	173	54	85	..
Checks, Spots and Stripes	13,087	16,101	9,576	12,751	11,169	5,172	1,312	3,939	8,950	1,542	5,793	8,458	11,024	7,020	10,122	12,820	15,517	11,873	7,046	2,939
Dhuties, Saris, etc.	73,392	104,343	103,179	51,967	63,496	41,623	35,797	37,913	35,672	31,944	44,959	45,693	68,896	72,590	109,993	87,197	40,907	51,704	20,921	2,845
Drills and Jeans	7,201	5,752	5,198	6,632	6,880	3,301	4,447	3,259	6,315	2,023	3,140	3,421	6,347	6,106	5,499	6,586	5,603	6,468	4,767	3,694
Flannels	..	..	..	..	..	390	17	19	367	11	52	38	35	67	44	54	15	23	57	102
Jaconets, etc.	226,243	307,851	212,547	176,081	183,101	13,549	4,424	10,314	11,624	5,737	7,118	8,292	9,294	9,398	13,762	13,950	16,610	16,181	14,273	8,669
Lawns	..	..	..	..	..	..	5,929	4,157	8,666	4,688	8,679	7,698	9,193	8,855	16,100	8,650	7,481	11,953	7,344	4,867
Longcloth and Shirting	179,894	115,259	115,896	163,430	123,180	113,337	65,949	77,328	108,521	48,168	69,365	67,215	122,724	93,787	93,073	113,352	121,773	100,408	91,883	71,903
Mulls	..	..	..	..	..	151,218	129,483	109,600	93,911	138,314	159,134	164,657	185,629	168,603	205,565	217,704	242,410	203,978	149,462	142,391
Nainsooks	235,870	204,757	134,893	170,762	168,986	150,193	27,134	59,128	121,718	67,551	90,752	88,468	105,367	76,998	66,861	82,629	86,882	53,173	40,034	20,329
Sheetings	205	208	189	347	265	739	219	214	260	38	135	220	153	164	212	140	269	97	175	89
T-cloth and Domestics	14	41	27	15	8	46	246	6	4	..	..	17	1	25	4	..	27	5	14	1
Twills	5,604	8,268	6,587	10,874	9,128	6,974	2,255	6,207	13,409	3,349	6,382	7,275	13,342	12,226	11,553	14,395	17,467	16,166	11,448	3,309
Unspecified Sorts	25,402	28,123	14,191	17,858	22,082	15,133	9,258	9,543	11,888	2,410	6,569	13,419	16,152	8,995	12,680	11,119	10,181	5,060	2,206	1,797
TOTAL	768,758	793,345	604,221	611,405	589,833	502,353	286,635	322,047	421,784	306,167	402,492	415,357	548,876	465,112	545,781	568,846	565,315	477,143	349,715	262,985
COLOURED, PRINTED OR DYED:—																				
Cambrics	101,604	113,586	72,080	41,495	48,716	50,759	29,267	29,440	54,357	17,701	36,186	44,139	44,472	34,737	38,720	48,816	54,335	43,987	28,237	16,627
Chadars	147	289	208	136	12	7	7	19	22	1	4	2	58	3	49	70	2	11	15	..
Checks, Spots and Stripes	10,849	19,722	10,164	9,510	17,284	11,341	5,331	5,643	13,588	3,657	6,474	8,512	15,446	10,770	14,868	17,856	23,362	24,139	18,720	4,743
Dhuties, Lungis and Sarongs	38,370	40,915	24,253	22,527	24,807	11,938	5,394	11,098	16,278	11,344	17,676	12,776	15,238	17,908	20,697	21,188	17,222	24,334	21,278	13,658
Drills and Jeans	22,523	29,998	20,008	19,593	20,090	22,797	16,856	7,009	19,335	9,628	16,049	17,213	25,349	32,358	38,914	65,973	53,622	78,805	47,464	33,285
Flannels	..	..	..	..	..	9,672	4,175	1,294	9,744	1,413	1,610	3,900	6,302	10,301	18,677	21,363	18,980	10,436	7,078	10,050
Prints and Chintz	178,856	209,709	104,644	85,943	106,872	100,986	70,025	48,905	114,722	28,735	44,689	61,529	59,533	56,026	49,801	64,878	76,079	65,297	42,859	21,243
Saris and Scarves	74,913	74,250	75,599	34,082	39,567	28,608	17,320	14,125	38,177	15,944	19,166	32,655	30,772	29,280	34,040	34,116	37,059	33,920	24,785	7,915
Shirtings	108,190	152,574	76,681	55,759	64,121	60,838	24,708	27,985	71,571	25,015	38,231	51,605	69,317	72,450	87,766	86,117	95,406	95,974	74,525	57,337
Twills	29,695	31,374	17,536	12,127	16,505	23,465	10,812	7,524	31,179	5,758	9,289	16,810	22,243	20,368	24,530	40,217	48,975	35,004	22,329	17,252
Sateens	..	..	..	..	..	..	..	..	..	..	..	..	..	3,586	3,660	5,068	4,736	2,903	1,747	866
Coatings and Trouserings	..	..	..	..	..	..	..	..	..	..	..	..	..	7,283	10,320	8,867	12,027	7,802	3,079	2,333
Italian Cloth and Sateens	..	..	..	..	..	..	..	..	..	..	..	..	..	12,984	26,004	20,799	34,066	16,510	13,383	11,259
Velvets and Velveteens	..	..	..	..	..	..	..	..	..	..	..	..	..	1,219	1,526	1,757	2,465	1,673	1,070	910
Unspecified Sorts	117,064	159,352	93,602	77,566	116,985	75,182	43,429	55,254	120,283	19,089	54,415	98,353	118,240	56,613	59,818	53,346	40,393	31,104	22,368	9,969
TOTAL	682,212	831,770	494,775	358,739	454,959	395,594	227,319	208,296	489,256	138,279	243,789	347,493	406,971	365,836	429,390	493,432	518,727	471,900	328,940	207,447
FENTS OF ALL KINDS	36,430	37,824	26,430	26,709	41,740	32,086	24,600	17,064	18,472	9,746	15,989	19,020	21,882	23,680	21,883	34,032	36,778	36,456	14,846	21,420

TABLE NO. 19.

STATEMENT SHOWING THE VARIOUS CLASSES OF PIECEGOODS IMPORTED INTO BOMBAY.

(Quantities in thousands of yards.)

Description.	1912–13	1913–14	1914–15	1915–16	1916–17	1917–18	1918–19	1919–20	1920–21	1921–22	1922–23	1923–24	1924–25	1925–26	Calendar Year 1926.	Calendar Year 1927.	Calendar Year 1928.	Calendar Year 1929.	Calendar Year 1930.	Calendar Year 1931.
PIECE-GOODS.																				
GREY, UNBLEACHED (PLAIN AND BORDERED).																				
Chadars	..	106	..	..	..	..	..	7	..	..	4	..	39	145	61	32	76	90	..	..
Dhuties, Saries, etc.	25,378	33,113	26,084	13,945	8,545	8,024	7,626	6,493	5,625	2,460	7,683	7,965	11,015	7,962	6,695	8,614	11,672	18,632	10,189	363
Drills and Jeans	16,306	10,331	9,893	11,227	12,022	4,828	9,971	7,311	12,602	8,743	9,554	12,376	10,231	12,258	8,101	7,277	5,137	6,464	2,115	1,054
Flannels	..	..	..	..	..	16	..	..	..	..	..	..	59	16	22	11	94	..	..	4
Jaconets and Madapollams	39,878	39,031	22,168	21,523	23,490	24,250	20,259	10,876	12,556	22,282	20,816	16,500	25,161	13,188	13,913	20,977	25,629	20,002	9,933	9,360
Longcloth	143,980	121,050	109,264	54,624	43,126	31,115	78,241	26,204	66,247	35,661	58,580	35,834	54,777	65,388	55,804	78,421	81,226	144,076	71,631	41,208
Printers	421	60	..	..	..	..	..	..	..	..	..	..	13	4	2	..	1	22	6	..
Sheetings	1,593	140	726	1,149	34,351	29,930	44,757	17,481	44,019	46,849	36,612	53,781	29,262	21,662	11,971	16,101	5,466	11,876	2,090	4,635
T-Cloth and Domestics	815	1,331	1,476	40	38	1,991	2,349	481	2,016	277	419	29	289	127	98	384	6	16	10	..
Unspecified Sorts	618	342	172	315	393	387	58	51	185	390	28	55	457	41	27	90	569	1,308	423	960
TOTAL	228,989	205,504	169,783	102,823	121,965	100,541	163,261	68,904	143,250	116,662	133,696	126,540	131,303	120,791	96,694	131,907	129,876	202,487	96,396	57,583
WHITE, BLEACHED:—																				
Chadars	52	..	57	29	..	..	..	..	..	..	..	..	281	59	89	18	25	5	..	..
Checks, Spots and Stripes	3,502	2,903	1,446	1,336	1,125	1,202	273	613	916	236	682	1,073	1,360	1,547	2,305	1,560	1,664	881	505	149
Dhutis, Saries, etc.	13,425	25,054	21,972	9,809	10,522	8,388	10,411	9,825	4,972	3,260	7,219	6,853	10,371	12,554	9,904	11,000	15,407	16,358	3,785	196
Drills and Jeans	3,796	3,148	2,431	3,228	3,601	1,143	675	1,548	3,031	417	499	1,399	2,126	2,492	2,596	3,202	3,394	3,353	1,854	843
Flannels	..	..	..	..	..	268	..	5	301	..	..	..	22	12	2	41	7	23	20	25
Jaconets, etc.	56,623	82,039	51,097	33,882	35,238	1,589	1,515	3,154	3,593	518	1,397	1,964	1,745	3,221	4,430	3,728	5,214	2,824	2,550	2,862
Lawns	..	..	..	..	..	..	860	852	1,036	190	1,132	538	495	389	508	316	591	325	500	331
Longcloth and Shirting	52,800	34,138	35,753	37,985	37,695	31,022	30,724	25,445	27,671	11,607	11,610	16,359	32,882	21,640	18,789	28,417	31,884	25,344	18,889	12,352
Mulls	..	..	..	..	..	28,901	27,871	24,604	18,733	22,439	23,083	31,309	34,069	30,405	33,493	35,750	48,203	39,407	20,120	14,205
Nainsooks	79,275	73,107	45,297	39,132	44,949	38,166	10,118	13,722	35,144	10,203	13,314	22,738	24,670	22,438	9,438	20,342	20,149	12,056	8,629	3,732
Sheetings	80	67	111	101	78	592	25	104	105	7	14	38	64	74	62	37	106	46	31	33
T-Cloth and Domestics	5	2	..	..	8	43	246	..	..	..	..	17	1	10	1	..	28	5	14	1
Twills	650	1,201	544	934	1,378	392	375	839	1,633	68	239	690	1,518	2,501	3,082	3,178	5,059	4,267	2,416	735
Unspecified Sorts	16,504	18,081	8,462	9,483	12,564	8,797	7,174	4,970	4,915	957	2,681	4,431	5,864	4,249	5,181	3,699	4,482	2,043	562	238
TOTAL	226,712	239,740	167,170	135,919	147,158	120,503	90,267	85,681	102,050	49,902	61,870	87,409	115,468	101,591	89,880	111,488	136,163	106,938	59,876	35,702
COLOURED, PRINTED OR DYED:—																				
Cambrics	39,203	45,735	33,959	18,198	18,507	19,527	11,652	11,988	14,010	3,312	10,717	15,356	4,864	14,624	15,441	19,081	26,284	20,506	11,601	4,469
Chadars	82	4	..	102	..	6	6	18	22	..	..	2	29	..	18	5	2	11	..	..
Checks, Spots and Stripes	2,540	7,631	3,147	2,091	4,189	3,422	1,363	1,864	4,460	458	1,682	1,449	3,929	4,390	7,014	6,960	11,594	10,788	8,071	916
Dhutis, Lungis and Sarongs	1,471	1,141	732	340	489	431	153	457	265	44	146	107	240	310	479	183	510	680	249	33
Drills and Jeans	4,961	5,116	4,494	5,488	9,191	6,139	2,445	1,555	3,489	1,997	2,903	3,057	6,034	7,072	8,346	16,426	20,725	34,985	15,060	7,795
Flannels	..	..	..	..	..	3,416	397	464	1,928	274	145	721	1,398	2,334	5,400	5,460	4,990	3,788	1,079	1,731
Prints and Chintz	108,169	123,114	66,030	52,648	66,786	60,290	48,431	27,452	66,480	11,586	23,268	40,707	37,136	39,123	31,701	44,297	55,917	40,767	20,931	9,965
Saris and Scarves	22,733	31,931	26,126	12,877	12,209	7,371	6,493	5,335	11,739	3,049	6,324	12,296	12,358	14,079	8,399	8,624	16,183	16,775	7,621	953
Shirtings	34,667	44,143	28,382	14,281	16,005	12,322	6,920	5,602	14,116	4,689	10,797	14,135	15,041	17,884	22,372	18,928	23,566	27,729	15,602	12,853
Twills	2,281	2,959	3,367	2,220	2,867	3,466	4,908	1,334	4,469	903	1,126	1,573	3,273	5,523	7,185	15,394	20,648	15,983	7,583	3,751
Sateens	..	..	..	..	..	..	..	..	..	..	..	..	10	1,111	808	1,314	1,504	1,418	981	27
Coatings and Trouserings	..	..	..	..	..	..	..	..	..	..	..	..	..	2,776	4,687	4,564	6,248	2,666	1,101	359
Italian Cloth and Sa ens	..	..	..	..	..	..	..	..	..	..	..	..	..	5,115	10,855	8,563	15,743	8,235	5,069	2,930
Velvet and Velveteens	..	..	..	..	..	..	..	..	..	..	..	..	..	738	782	733	1,209	547	456	416
Unspecified Sorts	58,739	84,030	50,177	43,424	59,652	36,283	26,230	27,711	56,864	7,819	22,684	46,917	49,538	16,217	10,488	8,764	6,666	5,802	2,892	1,614
TOTAL	274,846	345,804	216,414	151,669	189,895	152,673	108,998	83,780	177,842	34,071	79,792	136,320	143,850	131,296	133,976	159,296	211,890	190,679	98,296	47,811
Yents of all Descriptions	31,834	31,437	19,050	16,432	24,428	23,567	21,271	13,274	13,787	8,813	15,283	17,770	20,256	22,056	20,133	32,069	34,156	33,126	12,839	12,828

TABLE NO. 20.

SUMMARY OF IMPORTS OF COTTON YARN INTO INDIA.

(In thousands of pounds.)

Description of Yarn.	United Kingdom.			Japan.			China (including Hongkong)			U. S. of America.			Italy.			Netherlands.			Switzerland.			Germany.			Other Countries.			Total.		
	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931
Grey Singles	11,961	5,478	5,196	2,418	2,942	547	10,331	10,415	11,556	2	..	1	215	193	..	..	..	..	..	..	..	3	4	..	19	19	23	24,948	19,052	17,323
Coloured Singles ..	2,794	1,433	1,093	80	4	..	56	4	10	..	..	..	385	138	10	28	23	..	607	284	55	105	21	19	38	10	4	4,093	1,917	1,191
White Bleached. . ..	4,909	3,688	3,153	592	434	445	28	2	4	..	..	..	38	5	6	..	..	..	..	2	..	..	..	..	2	2	6	5,570	4,132	3,614
Grey Folded	1,714	919	1,011	2,272	1,061	273	716	1,056	2,027	..	..	..	892	36	128	..	..	..	..	..	..	..	..	..	6	..	1	5,600	3,072	3,440
Coloured Folded ..	414	403	278	12	17	..	..	..	..	..	..	1	4	..	..	..	..	..	..	..	..	3	..	1	..	..	..	433	420	280
Mercerised	287	103	198	5,561	3,569	4,425	19	..	..	..	..	..	1	..	..	..	..	..	2	1	..	..	..	..	4	..	..	5,874	3,674	4,624
Artificial Silk	1,471	1,101	814	..	3	86	..	..	1	5	10	..	4,136	3,365	4,537	404	548	1,128	464	96	169	499	231	364	1,013	663	946	7,992	6,016	8,045
Unspecified Descriptions	22	7	19	8	4	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	30	11	21
Rope	961	838	784	12	4	12	..	..	..	12	16	25	..	1	..	..	..	..	..	..	..	3	..	8	3	2	1	991	831	830
Swing Thread	1,950	1,768	1,543	5	4	3	..	..	..	2	1	..	..	..	37	178	120	105	..	..	..	3	1	1	223	155	126	2,360	2,049	1,815
TOTAL	26,483	15,738	14,089	10,960	8,041	5,793	11,150	11,478	13,598	21	27	26	5,671	3,738	4,718	610	690	1,233	1,073	383	224	616	258	393	1,307	851	1,108	57,891	41,204	41,183

TABLE NO. 21.

DETAILED IMPORTS OF COTTON YARN INTO INDIA.

(In thousands of pounds.)

Description of Yarn.	United Kingdom.			Japan.			China (including Hongkong.)			U. S. of America.			Italy.			Netherlands.			Switzerland.			Germany.			Other Countries.			Total.		
	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931
SINGLE GREY:—																														
1 to 10 ..	1	..	..	..	..	..	100	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2	10	..	103	10	..
11 to 20 ..	799	286	112	..	43	6	40	11	34	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	842	340	153
21 to 30 ..	323	209	312	..	1	118	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2	..	323	212	429
31 to 40 ..	3,190	1,414	1,141	2,397	2,882	412	10,181	10,402	11,450	..	..	..	212	194	..	..	..	..	..	..	..	..	4	..	16	1	22	15,996	14,897	13,025
41 to 50 ..	905	598	257	20	..	..	10	2	..	..	..	..	3	..	..	..	..	..	..	..	..	..	..	..	..	..	..	937	600	257
51 to 60 ..	4,635	1,769	2,436	1	17	8	..	..	..	..	..	1	..	..	..	..	..	..	..	..	..	3	..	..	..	6	..	4,638	1,792	2,445
Above 60 ..	2,108	1,201	939	..	..	3	..	..	72	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2,109	1,201	1,014
SINGLE COLOURED:—																														
1 to 20 ..	201	197	176	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	201	197	177
21 to 30 ..	220	216	220	..	..	..	..	..	..	..	..	..	2	2	..	..	..	..	5	9	13	..	..	..	..	..	..	227	227	233
31 to 40 ..	1,905	750	479	78	4	..	56	4	10	..	..	..	861	124	10	28	23	..	573	272	36	103	20	13	20	..	4	3,126	1,196	552
41 to 50 ..	63	49	42	2	..	..	..	..	..	..	..	..	21	..	..	..	..	..	6	..	2	..	..	4	..	..	..	92	49	48
Above 50 ..	405	221	175	..	..	..	..	..	..	..	..	..	..	12	..	..	..	..	22	4	4	2	1	2	18	10	..	446	248	181
White Bleached ..	4,909	3,688	3,153	592	434	445	28	2	4	..	..	..	38	5	6	..	..	..	..	2	..	..	..	..	2	2	6	5,570	4,132	3,614
Grey Folded ..	1,714	919	1,911	2,272	1,061	273	716	1,056	2,027	..	..	..	892	36	128	..	..	..	..	..	..	..	..	..	6	..	1	5,600	3,072	3,440
Coloured Folded ..	414	403	278	12	17	..	..	..	..	..	..	1	4	..	..	..	..	..	..	..	..	3	..	1	..	..	..	433	420	280
Mercerised ..	287	103	198	5,561	3,569	4,425	19	..	..	5	..	..	1	..	..	..	..	..	2	1	..	..	..	..	4	..	..	5,874	3,674	4,624
Artificial Silk ..	1,471	1,101	814	..	3	86	..	..	1	..	10	..	4,136	3,365	4,536	404	548	1,128	464	96	169	499	231	364	1,013	663	946	7,992	6,016	8,045
Unspecified Sorts ..	22	7	19	8	4	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	30	11	21
Rope ..	961	838	784	12	4	12	..	..	..	12	16	25	..	1	..	..	..	..	..	..	..	3	..	8	3	2	1	991	861	830
Sewing Thread ..	1,950	1,768	1,543	5	4	3	..	..	..	2	1	..	..	..	37	178	120	105	..	..	..	3	1	1	223	155	126	2,360	2,049	1,815
TOTAL ..	26,483	15,738	14,089	10,960	8,041	5,793	11,150	11,478	13,598	21	27	26	5,671	3,738	4,718	610	690	1,233	1,073	383	224	616	258	393	1,307	851	1,108	57,891	41,204	41,183

TABLE NO. 22.

SUMMARY OF IMPORTS OF COTTON YARN INTO BOMBAY.

(In thousands of pounds.)

Description of Yarn.	United Kingdom.			Japan.			China (including Hongkong.)			U. S. of America.			Italy.			Netherlands.			Switzerland.			Germany.			Other Countries.			Total.		
	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931
Grey Singles ..	4,402	1,948	385	765	723	69	3,544	1,764	2,936	..	..	..	47	..	..	..	..	..	..	..	..	3	..	..	3	10	3	8,764	4,445	3,393
Coloured Singles	155	51	45	2	..	..	17	..	..	..	..	..	22	3	..	..	..	..	78	16	..	..	..	..	2	..	1	276	70	46
White Bleached	1,760	1,654	1,564	323	145	92	..	2	..	..	..	..	17	5	6	..	..	..	..	..	..	..	..	..	..	..	6	2,099	1,806	1,668
Grey Folded ..	1,515	814	910	1,810	887	240	561	503	1,225	..	..	..	618	36	128	..	..	..	..	..	..	..	..	..	6	..	1	4,509	2,240	2,504
Coloured Folded	75	50	5	2	..	..	..	..	..	..	..	..	4	..	..	..	..	..	..	..	..	2	..	1	..	..	..	84	50	6
Mercerised ..	277	98	183	5,202	2,946	3,940	19	..	..	..	..	..	1	..	..	..	..	..	2	1	..	..	..	..	..	..	..	5,502	3,045	4,123
Artificial Silk ..	571	450	381	..	3	79	..	..	1	..	..	..	3,013	2,095	3,760	245	140	636	413	73	167	309	72	89	446	255	427	4,996	3,087	5,540
Unspecified ..	20	4	15	..	..	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	20	4	17
Rope	848	733	716	12	4	12	..	..	..	12	16	25	..	1	..	..	..	..	..	..	..	..	..	7	2	..	1	875	755	762
Sewing Thread ..	636	614	540	..	1	..	..	..	..	..	..	..	..	..	..	130	80	65	..	..	..	2	..	1	62	52	55	830	747	661
TOTAL ..	10,259	6,416	4,744	8,117	4,708	4,433	4,140	2,269	4,162	12	16	25	3,722	2,140	3,895	375	220	700	493	90	167	316	72	98	521	317	495	27,955	16,248	18,720

TABLE NO. 23.

DETAILED IMPORTS OF COTTON YARN INTO BOMBAY.

(In thousands of pounds.)

Description of Yarn.	United Kingdom.			Japan.			China (including Hong-kong.)			U. S. of America.			Italy.			Netherlands.			Switzerland.			Germany.			Other Countries.			Total.		
	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931
SINGLE GREY:—																														
1 to 10	..	..	..	..	..	..	100	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2	10	..	102	10	..
11 to 20	..	..	..	..	16	2	40	7	14	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	40	23	17
21 to 30	181	107	8	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	182	107	8
31 to 40	2,118	829	195	765	696	65	3,404	1,757	2,921	..	..	..	47	..	..	..	..	..	..	..	..	..	..	..	..	..	2	6,334	3,282	3,183
41 to 50	588	422	69	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	588	422	69
51 to 60	1,044	316	65	..	11	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	3	..	..	..	..	..	1,047	327	67
Above 60	470	275	49	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	470	275	49
SINGLE COLOURED:—																														
1 to 20	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	2	..	1
21 to 30	7	6	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	..	..	..	..	..	..	8	6	..
31 to 40	141	31	23	2	..	..	17	..	..	..	..	..	1	3	..	..	..	..	76	16	..	..	..	..	2	..	..	240	50	23
41 to 50	6	13	22	..	..	..	..	..	..	..	..	..	21	..	..	..	..	..	..	..	..	..	..	..	..	..	..	26	13	22
Above 50	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
White, Bleached	1,760	1,654	1,564	323	145	92	..	2	..	..	..	..	17	5	6	..	..	..	..	..	..	..	..	..	..	..	6	2,099	1,806	1,668
Grey, Folded	1,515	814	910	1,810	887	240	561	503	1,225	..	..	..	618	36	128	..	..	..	..	..	..	..	..	..	6	..	1	4,509	2,240	2,504
Coloured, Folded	75	50	5	2	..	..	..	..	..	..	..	..	4	..	..	..	..	..	..	..	..	2	..	1	..	..	..	84	50	6
Mercerised	277	98	183	5,282	2,946	3,940	19	..	..	..	..	..	1	..	..	..	..	..	2	1	..	..	..	..	..	..	..	5,502	3,045	4,123
Artificial Silk	571	450	381	..	3	79	..	..	1	..	..	..	3,013	2,095	3,760	245	140	636	413	73	167	309	72	89	446	255	427	4,996	3,087	5,540
Unspecified sorts	20	4	15	..	..	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	20	4	17
Rope	848	733	716	12	4	12	..	..	..	12	16	25	..	1	..	..	..	..	..	..	..	..	..	7	2	..	1	875	755	762
Sewing Thread	636	614	540	..	1	..	..	..	..	..	..	..	..	..	..	130	80	65	..	..	..	2	..	1	62	52	55	830	747	661
TOTAL ..	10,259	6,416	4,744	8,117	4,708	4,433	4,140	2,269	4,162	12	16	25	3,722	2,140	3,895	375	220	700	493	90	167	316	72	98	521	317	495	27,955	16,248	18,720

TABLE NO. 24.

DETAILED EXPORTS FROM INDIA OF INDIAN-MADE YARN BY SEA.

(In thousands of pounds.)

Description.	European Countries.			China including Hongkong.			Egypt and North Africa.			Red Sea Ports.			East Africa.			Levant and Black Sea Ports.			Ceylon and Straits.			Persian Gulf.			South Africa.			Other Countries.			Total.		
	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.
GREY YARN:—																																	
1 to 10	878	368	876	540	720	70	839	600	483	3,925	2,024	799	169	254	153	752	559	485	793	419	176	925	1,561	2,728	..	138	266	31	23	47	8,853	6,667	6,083
11 to 20	275	252	270	208	14	90	2,191	1,159	1,387	1,385	949	748	142	101	102	1,249	593	1,017	1,448	1,155	976	5,611	3,819	5,156	..	6	2	32	1	29	12,541	8,049	9,777
21 to 30	35	..	12	..	..	4	..	18	10	18	5	1	..	1	12	15	13	28	354	144	129	7	13	6	..	..	..	1	..	..	430	193	203
31 to 40	..	..	2	..	..	..	..	..	..	..	2	..	..	..	..	..	..	..	57	2	35	4	1	..	2	..	..	..	..	..	62	5	37
Above 40	8	..	..	..	..	..	..	..	..	6	3	..	..	..	..	..	..	..	5	..	2	2	..	..	..	..	..	..	..	..	21	3	2
TOTAL GREY ..	1,196	619	1,160	748	734	164	3,030	1,778	1,880	5,334	2,984	1,548	312	356	266	2,016	1,164	1,530	2,656	1,719	1,319	6,548	5,395	7,891	2	144	268	64	24	76	21,906	14,917	16,102
COLOURED YARN:—																																	
1 to 20	..	..	..	..	..	..	..	..	..	73	50	40	3	7	4	..	4	..	14	6	5	25	18	24	..	..	..	9	2	9	124	86	81
21 to 40	..	..	..	..	..	..	..	..	..	9	8	2	..	..	..	..	..	..	22	5	..	2	2	2	..	..	..	..	..	..	33	15	5
Above 40	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2	..	..	..	..	..	..	..	..	..	..	..	2	..	..
Total Coloured ..	..	..	..	..	..	..	..	..	..	82	58	42	3	7	4	..	4	..	38	11	5	27	20	26	..	..	..	9	2	9	159	102	86
White Bleached	..	..	2	..	..	..	230	91	5	76	152	54	..	..	..	17	10	..	96	84	70	57	121	2	..	..	..	5	10	5	481	468	137
Grey Doubles	683	306	180	608	300	6	1,902	2,356	1,250	884	2,058	2,211	43	38	29	1,050	1,539	1,288	673	639	442	108	125	160	..	84	..	9	1	4	5,961	7,446	5,569
Coloured Doubles	..	..	..	..	..	..	..	..	..	..	1	2	..	..	..	..	..	..	..	..	..	..	..	1	..	..	..	1	..	1	1	1	4
Unspecified Descriptions ..	..	..	..	..	..	..	..	..	..	..	..	16	..	..	1	..	..	10	100	130	147	4	..	23	..	..	..	..	..	..	105	130	197
Sewing Thread	3	..	..	..	..	..	..	..	..	16	13	14	75	66	55	..	1	..	20	12	18	85	75	64	21	11	10	9	..	..	230	179	162
GRAND TOTAL ..	1,883	925	1,342	1,356	1,034	170	5,163	4,224	3,136	6,392	5,266	3,886	433	467	355	3,083	2,718	2,828	3,584	2,595	2,000	6,830	5,736	8,167	22	239	278	97	37	95	28,843	23,242	22,257

NOTE :—"Egypt and North Africa" include Tripoli and Tunis.
"Red Sea Ports" include Anglo-Egyptian Sudan, Abyssinia, British Somaliland, French Somaliland, Somaliland Protectorate, and Aden and Dependencies.
"East Africa" includes Italian East Africa, Somaliland and Eritrea, Kenya, Uganda, Tanganyaka Territory, Portuguese East Africa, Zanzibar and Pemba and Seychelles.
"Levant and Black Sea Ports" include Palestine, Syria, Smyrna and Asiatic Turkey.
"Ceylon and Straits Settlements and beyond" include Labuan, Java, Siam, Indo-China, Federated Malay States, Maldive Islands, Fiji Islands, Sumatra, Dutch Borneo, Celebes, Philippines and Formosa.
"Persian Gulf" includes Iraq, Muskat Territory and Trucial Oman, other Native States in Arabia, Persia and Bahrein Islands.
"South Africa" includes Natal, Transvaal, Cape of Good Hope, Mauritius and Madagascar.
"Other Countries" include Japan, America, Reunion Islands, New Zealand, Canada, British Guiana, and Australia.

TABLE No 25.

DETAILED EXPORTS OF INDIAN-MADE YARN BY SEA FROM BOMBAY.

(In thousands of pounds.)

	European Countries.			China Including Hongkong.			Egypt and North Africa.			Red Sea Ports.			East Africa.			Levant and Black Sea Ports.			Ceylon and Straits.			Persian Gulf.			South Africa.			Other Countries.			TOTAL.		
	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.
GREY YARN:—																																	
1 to 10	878	368	876	540	720	70	837	592	483	3,925	2,024	799	169	254	145	752	559	485	792	419	176	925	1,561	2,728	..	138	253	22	23	47	8,841	6,658	6,063
11 to 20	275	172	194	200	..	60	2,112	1,091	1,186	1,385	949	748	142	101	102	1,178	526	652	1,441	1,132	954	5,581	3,817	5,147	..	6	2	32	1	29	12,347	7,795	9,073
21 to 30	35	..	6	..	..	..	..	18	..	18	5	1	..	1	..	12	10	..	351	144	127	7	13	6	..	..	..	1	..	..	424	191	141
31 to 40	..	..	..	..	..	..	..	..	..	..	2	..	..	..	..	..	..	..	56	2	35	4	1	..	..	..	..	..	..	..	60	5	35
Above 40	8	..	..	..	..	..	..	..	..	6	3	..	..	..	..	..	..	..	5	..	2	2	..	..	..	..	..	..	..	..	20	3	2
TOTAL GREY ..	1,196	539	1,076	740	720	130	2,950	1,701	1,669	5,334	2,984	1,548	312	356	247	1,942	1,095	1,137	2,646	1,696	1,294	6,518	5,393	7,881	..	144	255	55	24	76	21,692	14,652	15,313
COLOURED YARN:—																																	
1 to 20	..	..	..	..	..	..	..	..	..	73	50	40	3	6	4	..	4	..	14	6	5	25	18	23	..	..	..	3	2	9	118	62	80
21 to 40	..	..	..	..	..	..	..	..	..	9	8	2	..	..	..	..	..	..	22	5	..	2	2	2	..	..	..	..	..	..	33	85	5
Above 40	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
TOTAL COLOURED ..	..	..	..	..	..	..	..	..	..	82	58	42	3	6	4	..	4	..	36	11	5	27	20	26	..	..	..	3	2	9	151	102	85
White Bleached	..	..	2	..	..	..	230	91	3	76	152	53	..	..	..	17	10	..	94	81	69	57	121	2	..	..	..	5	8	5	479	463	134
Grey Doubles	683	306	152	608	300	6	1,902	2,356	1,250	884	2,058	2,211	43	38	29	1,050	1,539	1,288	673	639	440	108	125	160	..	84	..	9	1	4	5,961	7,445	5,539
Coloured Doubles	..	..	..	..	..	..	..	..	..	..	1	2	..	..	..	..	..	..	..	..	..	..	..	1	..	..	..	1	..	1	1	1	4
Unspecified Descriptions	..	..	..	..	..	..	..	..	..	..	..	16	..	..	1	..	..	10	..	..	..	..	..	23	..	..	..	..	..	..	..	..	50
Sewing Thread	..	..	..	..	..	..	..	..	..	16	13	14	75	66	55	..	1	..	19	12	16	84	75	64	21	11	10	..	..	..	215	178	159
GRAND TOTAL ..	1,879	845	1,230	1,348	1,020	136	5,083	4,148	2,922	6,392	5,267	3,886	432	467	335	3,009	2,649	2,435	3,467	2,439	1,824	6,795	5,733	8,157	21	239	265	73	35	95	28,499	22,841	21,286

See foot-note to Table 24.

TABLE No. 26.

SUMMARY OF IMPORTS OF COTTON PIECEGOODS INTO INDIA.

(In thousands of Yards.)

	United Kingdom.			Japan.			China (including Hongkong.)			U.S. of America.			Italy.			Netherlands.			Switzerland.			Germany.			Other Countries.			Total.		
	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.
Grey Plain	189,733	40,471	26,690	324,513	210,385	133,043	17,149	2,990	2,416	1,065	486	364	322	340	11	1	1	..	..	..	..	..	2	..	467	76	93	483,251	254,752	162,618
Grey Bordered ..	442,303	250,310	28,050	49,342	55,003	58,901	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2	..	3	491,647	305,313	86,954
White Bleached ..	445,578	305,433	197,682	8,986	25,666	53,778	12	30	15	1,909	1,762	639	1,504	1,535	859	7,293	5,221	3,594	7,627	7,624	4,954	154	145	119	4,081	2,300	1,295	477,143	349,715	262,935
Printed	138,755	92,043	44,339	52,154	33,963	41,997	47	76	1	181	99	194	10,918	5,522	4,511	5,231	1,287	1,022	246	125	37	280	211	36	1,496	718	218	209,307	134,044	92,356
Dyed	104,916	75,612	49,621	24,729	27,251	29,090	137	320	165	5,686	4,178	1,643	4,521	3,380	3,108	3,652	4,426	1,605	1,026	576	1,144	315	195	206	1,002	875	849	145,983	116,814	87,429
Woven Coloured ..	41,315	29,010	4,380	60,970	38,126	19,492	64	91	4	362	178	1	7,051	3,154	2,328	4,677	5,915	777	298	257	66	751	368	329	1,122	982	285	116,610	78,082	27,662
Fents of all descriptions	13,347	4,566	5,514	246	33	90	..	..	1	22,630	9,995	15,495	75	78	73	2	10	8	101	98	42	48	40	117	7	25	80	36,456	14,846	21,420
Towels in the piece ..	1	3	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	6	..	3	9	1
Piecegoods of Cotton and Artificial Silk..	7,433	3,918	1,326	16,167	32,989	72,141	808	1,403	232	879	58	2	11,817	7,604	5,763	133	98	26	6,221	5,685	2,412	972	431	229	2,697	2,025	904	47,127	54,206	83,034
Canvas	469	355	238	264	228	274	..	..	..	1	1	1	272	418	34	8	10	7	..	..	..	51	11	84	12	64	2	1,078	1,087	640
TOTAL ..	1,283,850	801,720	357,839	537,371	423,645	408,806	18,217	4,910	2,833	32,713	16,752	18,340	36,479	22,032	16,687	20,997	16,968	7,038	15,519	14,366	8,655	2,572	1,403	1,121	10,888	7,072	3,730	1,958,605	1,308,868	825,049

TABLE No. 27.

DETAILED IMPORTS OF COTTON PIECEGOODS INTO INDIA.

(In thousands of Yards.)

	United Kingdom.			Japan.			China (including Hongkong.)			U.S.A.			Italy.			Netherlands.			Switzerland.			Germany.			All other Countries.			Total.		
	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.
GREY (UNBLEACHED).																														
PLAIN GREY.																														
Chadars	12	..	..	52	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	64	..	..
Dhutis, Saris & Scarves ..	45	27	201	110	..	..	..	..	20	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	6	..	..	161	27	221
Drills & Jeans	404	79	51	11,967	4,962	2,480	112	8	16	679	356	312	11	..	..	..	..	..	..	..	..	..	..	1	5	4	3	13,179	5,410	2,862
Flannels & Flannelettes ..	2	22	4	..	..	..	..	..	..	..	..	..	..	276	..	..	..	..	..	..	..	..	..	..	..	..	..	2	298	4
Jaconets including Madapollams, etc.	58,189	29,263	22,234	319	106	30	9	..	..	..	..	..	..	52	..	..	..	..	..	..	..	..	..	..	..	..	..	58,517	29,422	22,264
Longcloth & Shirtings ..	28,927	9,896	2,702	299,495	200,800	126,545	15 566	2,844	1,681	..	40	..	301	..	..	..	..	..	..	..	..	..	..	..	312	20	41	344,601	213,606	130,970
Printers	22	6	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	22	6	..
Sheetings	2	2	..	12,322	4,227	3,956	1,462	138	699	386	90	53	..	2	..	..	..	..	..	..	..	..	..	1	124	11	7	14,296	4,471	4,715
T-cloth & Domestics ..	54	4	..	44	785	26	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	14	..	..	113	89	27
Unspecified Descriptions ..	2,076	1,171	1,497	205	205	5	..	..	..	..	..	..	9	10	11	1	1	..	..	1	..	..	..	..	5	41	42	2,296	1,430	1,556
Total Plain Grey ..	89,733	40,471	26,690	324,513	210,385	133,043	17,149	2,990	2,416	1,065	486	364	322	340	11	1	1	..	..	1	..	..	2	..	466	76	93	433,251	254,752	162,618
BORDERED GREY.																														
Chadars	1,129	317	5	..	..	18	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1,129	317	23
Dhutis, Saris & Scarves ..	441,148	249,915	28,042	49,342	55,063	58,883	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2	..	3	490,491	304,917	86,928
Drills & Jeans	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..
Flannel & Flannelettes ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Jaconets, etc.	1	75	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	75	..
Longcloth & Shirtings ..	23	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	23	..	..
Printers	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Sheetings	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
T-cloths & Domestics ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Unspecified Descriptions ..	2	2	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2	2	2
Total Bordered Grey ..	442,303	250,310	28,050	49,342	55,003	58,901	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2	..	3	491,647	305,313	86,954
Total Grey Unbleached ..	532,036	290,781	54,740	373,855	265,388	191,944	17,149	2,990	2,416	1,065	486	364	322	340	11	1	1	..	..	1	..	..	2	..	468	76	96	924,898	560,065	249,572
WHITE BLEACHED.																														
Chadars	32	85	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	54	85	..
Checks, Spots & Stripes ..	8,475	4,735	2,569	..	9	4	..	..	..	122	69	..	244	174	..	..	..	..	1,817	1,726	364	3	..	..	1,267	333	2	11,828	7,046	2,939
Dhutis, Saris & Scarves ..	51,690	20,921	2,843	1	..	2	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	8	..	..	5	..	..	51,704	20,921	2,845
Drills & Jeans	4,262	2,537	1,519	2,133	2,179	2,157	..	..	..	..	..	..	43	..	..	..	..	..	4	..	..	..	..	..	26	1	27	6,468	4,767	3,694
Flannel & Flannelettes ..	3	2	2	21	55	100	..	..	..	..	..	..	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..	23	57	102
Jaconets, Madapollams, etc.	8,231	4,492	2,089	118	927	665	..	..	..	1,676	1,582	579	407	584	743	318	391	86	3,415	4,638	3,647	32	11	8	1,982	1,649	852	16,181	14,273	8,669
Lawns	11,551	7,056	4,675	12	20	4	..	..	..	..	..	..	83	76	90	..	..	1	239	153	77	..	3	..	68	86	20	11,953	7,344	4,867
Longcloth & Shirtings ..	87,716	70,381	33,218	5,590	16,267	35,224	10	19	13	..	5	2	294	380	15	6,737	4,760	3,405	11	18	..	..	15	..	51	39	26	100,408	91,884	71,903
Mulls	203,665	148,914	139,180	118	514	3,201	..	..	..	..	..	..	..	146	..	129	20	..	..	..	4	12	11	5	53	3	2	203,978	149,462	142,891
Nainsooks	50,759	33,965	7,928	499	4,937	11,569	..	..	..	..	..	8	159	92	..	57	..	..	1,636	983	824	..	..	..	63	3	..	53,173	40,034	20,329
Sheetings	90	57	69	..	..	..	..	8	..	..	..	..	2	6	..	4	18	19	..	..	..	..	..	..	1	..	1	97	175	89
T-cloths & Domestics ..	5	3	..	..	4	..	..	..	..	..	..	..	5	..	..	48	32	75	45	21	1	..	..	2	12	5	..	16,166	11,448	3,309
Twills	15,865	10,965	2,451	188	425	779	..	..	..	3	..	..	..	75	12	..	..	8	459	86	36	100	105	103	613	231	365	5,060	2,206	1,797
Unspecified Descriptions ..	3,213	1,272	1,147	305	328	74	2	2	1	103	107	50	266																	
Total White Bleached ..	445,578	305,433	197,682	8,986	25,666	53,779	12	30	15	1,909	1,762	639	1,504	1,535	859	7,293	5,221	3,594	7,627	7,624	4,954	154	145	119	4,081	2,301	1,295	477,143	349,715	262,935

Coloured, Printed or Dyed.																															
Printed Goods.																															
Cambrics, etc.	15,855	7,098	2,909	57	84	66	42	..	..	113	69	143	43	2	22	31	16	4	11	3	1	1	8	2	70	1	6	16,227	7,281	3,153
Chadars	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	5	..	..	5	..	..
Checks, Spots & Stripes ..	1,156	415	218	63	121	47	..	..	..	..	..	..	..	2	..	..	..	..	..	..	..	100	29	..	16	..	..	1,342	565	266
Dhutis	5	..	..	..	..	..	..	..	..	..	..	..	..	..	..	5	..	..	..	..	..	..	..	..	..	..	..	5	..	..
Drills & Jeans	6,556	7,171	4,558	32,629	15,839	14,293	..	39	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	12	17	5	39,197	23,067	18,855
Flannel & Flannelettes ..	112	21	10	2,289	2,523	3,144	..	..	..	..	..	..	2,296	623	823	..	..	..	..	..	..	..	..	..	..	9	..	4,697	3,176	3,977
Lungis	6,689	4,456	2,817	113	166	1,151	..	..	..	..	..	..	..	..	153	1,060	429	553	..	..	..	..	5	..	29	30	1	7,891	5,076	4,677
Prints & Chintz	56,616	34,529	12,528	4,152	3,929	5,108	..	10	..	14	..	49	979	913	314	..	2	10	149	89	18	6	104	34	68	33	19	61,983	39,609	18,081
Saris & Scarves	27,544	19,831	5,883	17	247	328	..	..	..	..	5	..	..	..	15	..	..	..	..	..	..	..	..	..	17	5	4	27,578	20,088	6,231
Sateens	2,876	1,698	694	27	47	156	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	1	15	2,903	1,747	866
Shirtings	15,644	13,357	13,418	11,550	10,649	17,128	5	11	1	..	..	..	500	118	157	54	8	..	..	..	..	2	4	..	53	16	20	27,808	24,162	30,724
Twills	2,706	2,180	614	826	92	5	..	..	..	..	..	1	7,016	3,763	3,020	..	..	..	..	..	9	..	..	..	..	..	..	10,548	6,036	3,647
Woven Lungis & Sarongs ..	1,344	499	187	95	179	404	..	..	..	..	..	..	..	..	..	4,072	840	455	79	33	10	..	..	..	1,132	589	137	6,722	2,142	1,194
Unspecified Descriptions ..	1,652	787	502	336	87	165	..	16	..	54	25	..	78	104	8	9	..	..	7	..	..	171	61	..	93	16	10	2,400	1,096	686
Total Printed Goods ..	138,755	92,043	44,339	52,154	33,963	41,997	47	75	1	181	99	194	10,918	5,522	4,511	5,231	1,287	1,022	246	125	37	280	211	36	1,496	719	218	209,307	134,044	92,356
Dyed Goods.																															
Cambrics, etc.	18,904	14,315	10,053	30	75	11	..	..	..	5,478	4,041	1,480	447	74	289	449	754	264	617	377	1,090	3	3	2	133	163	121	26,061	19,803	13,310
Chadars	6	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	6	..	..
Checks, Spots & Stripes ..	10,569	5,961	1,590	427	491	371	..	1	..	2	..	..	145	28	26	4	55	8	318	138	18	10	..	6	20	79	1	11,494	6,754	2,019
Dhutis	247	22	66	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	247	22	66
Drills and Jeans	2,706	2,416	2,392	4,551	5,904	6,075	..	..	1	67	..	..	103	6	1	84	44	22	..	..	..	11	..	1	7	..	15	7,529	8,370	8,508
Flannel & Flannelettes ..	222	24	267	2,447	2,395	4,646	4	9	9	..	..	..	375	269	30	..	1	..	..	..	..	10	..	..	..	..	3	3,058	2,699	4,956
Italian Cloths & Sateens ..	15,085	12,022	9,680	501	347	537	22	1	..	..	..	..	857	913	997	18	6	..	..	20	3	..	..	7	27	73	34	16,510	13,383	11,259
Lungis	118	10	75	..	4	58	..	..	..	..	..	..	..	..	..	87	11	19	..	..	..	..	..	..	1	5	3	206	30	155
Prints & Chintz	2,853	2,854	2,429	338	361	710	..	..	..	..	..	..	..	..	..	..	..	1	..	..	..	..	8	..	7	9	16	3,197	3,233	3,156
Saris & Scarves	3,272	2,811	1,196	..	..	24	..	..	..	..	..	..	..	7	8	69	81	31	1	1	22	..	..	..	18	13	23	3,360	2,913	1,304
Shirtings	30,366	18,147	8,239	12,209	12,106	11,739	44	87	57	..	..	..	194	178	45	2,746	3,261	962	..	..	..	3	1	1	47	28	98	45,610	33,749	21,142
Twills	11,566	8,597	7,926	966	2,032	2,966	16	..	..	..	..	1	1,902	1,565	1,399	40	..	15	..	..	..	4	6	1	14	..	7	14,509	12,202	12,318
Woven Lungis & Sarongs ..	192	155	72	..	13	173	..	..	..	..	..	..	3	1	..	96	202	172	..	..	..	..	..	..	2	..	1	293	372	417
Unspecified Descriptions ..	8,810	8,276	5,637	3,261	3,521	1,780	50	222	97	139	135	163	494	339	312	59	70	111	90	40	11	275	175	187	725	505	527	13,903	13,283	8,825
Total Dyed Goods ..	104,916	75,612	49,621	24,729	27,251	29,090	137	320	164	5,686	4,178	1,643	4,521	3,386	3,108	3,651	4,426	1,605	1,026	576	1,144	315	195	206	1,002	875	850	145,983	116,814	87,429
Woven Coloured Goods.																															
Cambrics, etc.	1,431	809	82	4	12	..	..	..	..	27	..	..	51	152	4	27	42	15	154	127	40	..	..	8	5	12	15	1,699	1,154	164
Chadars	..	14	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	14	..
Checks, Spots, etc.	7,539	7,495	974	3,589	3,537	1,414	..	..	2	..	13	..	134	267	50	17	73	..	3	..	..	4	1	..	18	15	19	11,303	11,401	2,459
Coatings & Trouserings ..	3,614	1,282	709	430	179	325	61	56	1	..	8	..	2,525	1,113	1,131	171	53	31	10	..	3	176	17	19	816	372	114	7,802	3,079	2,333
Dhutis	418	185	31	..	1,046	..	..	..	..	..	..	..	..	..	..	145	26	..	..	..	..	..	..	..	..	..	..	418	1,232	31
Drills & Jeans	757	677	31	30,906	15,276	5,860	..	..	..	..	..	..	272	6	31	1	..	..	..	..	..	..	12	..	..	30	..	32,079	16,027	5,922
Flannel & Flannelettes ..	399	393	128	1,424	628	276	..	..	..	..	..	..	854	475	708	..	..	..	..	..	..	3	6	5	..	1	..	2,681	1,202	1,118
Lungis & Sarongs	4,159	3,720	394	241	3,091	6,135	..	..	..	..	..	..	..	..	1	4,143	5,568	576	..	..	13	1	6	..	8	20	..	8,552	12,405	7,118
Prints & Chintz	116	17	6	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	116	17	6
Saris & Scarves	2,932	1,723	376	..	..	..	..	..	..	..	3	..	7	5	..	20	12	..	21	37	..	2	7	..	..	..	4	2,982	1,787	380
Shirtings	7,314	6,167	1,331	13,621	9,074	3,637	..	29	1	..	..	..	1,562	907	388	8	54	97	9	..	..	5	44	..	36	337	16	22,556	16,614	5,471
Twills	590	511	5	9,321	3,516	1,286	..	..	..	..	..	..	37	2	..	..	..	..	..	..	..	..	..	..	..	62	..	9,947	4,091	1,291
Velvets & Velveteens ..	618	476	129	628	394	455	3	2	..	..	..	..	36	21	8	17	3	55	..	..	..	340	166	255	31	8	7	1,673	1,070	910
Unspecified Descriptions ..	11,428	5,541	185	806	1,374	103	..	4	..	335	154	1	1,573	506	7	128	84	3	102	93	11	219	108	42	208	125	108	14,801	7,990	459
Total Woven Coloured.	41,315	29,010	4,380	60,970	38,126	19,492	64	91	4	362	178	1	7,051	3,154	2,328	4,677	5,915	777	298	257	66	751	368	329	1,122	982	285	116,610	78,082	27,662
Total Coloured, Printed or Dyed	284,986	196,664	98,340	137,853	99,340	90,579	248	486	170	6,229	4,455	1,838	22,490	12,056	9,947	13,559	11,628	3,404	1,570	959	1,248	1,346	774	571	3,620	2,576	1,352	471,900	328,940	207,447
Fents of all Descriptions ..	13,347	4,566	5,514	246	33	90	..	..	..	22,630	9,995	15,495	75	78	73	2	10	8	101	98	42	48	40	117	7	25	80	36,456	14,846	21,420
Total Piecegoods.	1,275,947	797,444	356,276	520,940	390,427	336,391	18,216	3,506	2,601	31,833	16,698	18,336	24,390	14,010	10,890	20,856	16,860	7,006	9,298	8,681	6,244	1,549	961	807	8,176	4,978	2,823	1,910,398	1,253,566	741,374
Towels in the Piece	1	3	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	6	..	2	9	1
Piecegoods of Cotton and Artificial Silk	7,433	3,918	1,326	16,167	32989	72,141	..	1,403	232	879	53	2	11,817	7,604	5,763	133	98	26	6,221	5,685	2,412	972	431	229	2,697	2,025	904	47,127	54,206	83,034
Canvas	469	355	238	264	228	274	..	..	..	1	1	1	272	418	34	8	10	7	..	..	..	51	11	84	12	64	2	1,078	1,087	640
Total ..	1,283,850	801,720	357,839	537,371	423,645	408,806	18,216	4,910	2,833	32,713	16,752	18,340	36,479	22,032	16,687	20,997	16,968	7,038	15,519	14,366	8,655	2,572	1,403	1,121	10,887	7,072	3,730	1,958,605	1,308,868	825,049

TABLE No. 28.

DETAILED IMPORTS OF COTTON PIECEGOODS INTO BOMBAY.

(In Thousands of Yards.)

	United Kingdom.			Japan.			China (including Hongkong.)			U. S. A.			Italy.			Netherlands.			Switzerland.			Germany.			Other countries.			Total.		
	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931	1929	1930	1931
GREY (Unbleached):—																														
Plain Grey:—																														
Chadars	12	..	..	52	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	64	..	..
Dhutis, Saries, etc.	37	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	37	..	..
Drills and Jeans	62	24	23	5,928	1,869	815	49	..	..	421	220	213	..	..	..	..	..	..	..	..	..	..	1	..	5	..	3	6,464	2,114	1,054
Flannels and Flannelettes	..	..	4	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	4
Jaconets	19,844	9,813	9,330	149	101	30	9	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	20,001	9,915	9,360
Longcloth	7,502	3,925	832	131,065	67,465	40,210	5,505	241	160	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	5	..	6	144,076	71,631	41,208
Printers	22	6	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	22	6	..
Sheetings	2	1	..	10,167	1,982	3,900	1,196	13	675	386	90	53	..	..	..	..	..	..	..	..	..	..	1	..	124	4	7	11,876	2,090	4,635
T-cloth and Domestics	2	..	..	12	10	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	16	10	..
Unspecified Sorts	1,304	419	960	..	..	..	..	..	..	..	..	..	..	..	..	1	1	..	..	..	..	..	..	..	..	..	..	1,305	421	960
TOTAL PLAIN GREY	28,787	14,188	11,148	147,373	71,427	44,956	6,759	255	835	802	310	265	..	..	..	1	1	..	..	..	..	..	2	..	135	4	16	183,862	86,186	57,220
BORDERED GREY:—																														
Chadars	26	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	26	..	..
Dhuties, etc.	14,512	7,896	121	4,081	2,293	242	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2	..	..	18,595	10,189	363
Drills and Jeans	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..
Flannels, etc.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Jaconets etc.	1	18	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	18	..
Longcloth, etc.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Printers	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Sheetings	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
T-cloth, etc.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Unspecified Sorts	2	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2	2	..
TOTAL BORDERED GREY.	14,542	7,917	121	4,081	2,293	242	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2	..	..	18,625	10,210	363
TOTAL GREY	43,329	22,104	11,269	151,454	73,720	45,198	6,759	255	835	807	310	265	..	..	..	1	1	..	..	..	..	..	2	..	137	4	16	202,487	96,396	57,583
WHITE BLEACHED:—																														
Chadars	4	..	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	5	..	..
Checks, etc.	850	470	146	..	..	3	..	..	..	25	34	..	..	2	..	..	..	..	..	..	..	..	..	..	6	..	..	881	505	149
Dhutis, etc.	16,350	3,785	196	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	8	..	..	..	..	16,358	3,785	196
Drills and Jeans	3,063	1,777	782	280	77	34	..	..	..	..	..	..	..	..	..	..	..	..	4	..	..	..	..	..	6	..	26	3,353	1,854	843
Flannels, etc.	2	1	1	21	19	24	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	23	20	25
Jaconets, etc.	1,373	857	371	34	152	186	..	..	..	697	588	155	44	361	544	81	42	6	541	486	1,281	17	9	1	37	55	318	2,824	2,550	2,862
Lawns	260	275	140	12	..	3	..	..	..	..	..	..	14	74	90	..	..	..	29	121	77	..	3	..	10	27	20	325	500	331
Longcloth	21,990	13,681	4,856	1,065	3,815	5,923	..	..	..	..	1	..	16	1	..	2,235	1,358	1,574	5	11	..	..	15	..	33	7	..	25,344	18,889	12,352
Mulls	39,235	19,881	13,249	118	208	951	..	..	..	..	..	..	..	..	..	..	20	..	..	..	..	12	11	5	44	..	..	39,407	20,120	14,205
Nainsooks	9,953	5,051	400	221	2,462	2,508	..	..	..	..	..	..	137	146	..	57	..	..	1,636	969	824	..	..	..	52	1	..	12,056	8,629	3,732
Sheetings	40	13	14	..	..	..	..	..	..	..	..	..	2	..	..	4	17	19	..	..	..	..	..	..	..	..	..	46	31	33
T-cloth, etc.	5	3	..	..	4	..	..	..	..	..	..	..	..	6	..	..	..	..	..	..	..	..	..	..	..	..	..	5	14	1
Twills	4,154	2,371	676	3	4	..	..	..	..	3	..	..	5	..	..	48	16	56	48	21	1	..	..	2	12	4	..	4,267	2,416	735
Unspecified Sorts	1,091	327	37	..	1	..	1	1	1	..	1	..	112	20	8	..	..	..	360	27	23	74	84	99	405	102	70	2,049	562	238
TOTAL WHITE BLEACHED.	98,370	48,493	20,869	1,755	6,742	9,631	1	1	1	724	624	155	330	610	643	2,426	1,454	1,654	2,618	1,634	2,207	111	122	108	604	198	435	106,938	59,876	35,702

COLOURED, PRINTED OR DYED.																															
PRINTED GOODS:—																															
Cambrics	7,004	3,037	468	46	52	1	..	..	..	57	47	142	2	..	2	..	..	..	2	1	..	1	..	2	47	..	2	7,158	3,137	617
Chadars	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	5	..	..	5	..	..
Checks, etc.	292	49	23	17	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	368	49	23
Dhutis, etc.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Drills and Jeans	1,719	1,192	629	14,881	4,803	3,276	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	17	5	16,600	6,012	3,910
Flannels, etc.	73	3	9	409	129	582	..	..	..	..	..	..	1,355	198	..	..	..	..	..	..	..	..	..	..	..	9	..	1,837	340	591
Lungis	19	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	19	..	..
Prints and Chintz	37,093	18,890	7,595	2,581	1,260	2,218	..	..	..	12	..	49	751	623	32	..	..	1	133	80	9	1	1	..	6	..	6	40,577	20,854	9,911
Saries and Scarves	16,672	7,342	889	10	205	5	..	..	..	..	..	..	..	..	15	..	..	..	..	..	..	..	..	..	..	..	..	16,682	7,547	909
Sateens	1,391	957	24	27	23	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	1,418	981	27
Shirtings	1,120	1,040	400	5,523	3,525	7,792	..	..	..	..	..	..	52	..	43	..	8	..	..	..	..	1	2	..	3	12	17	6,698	4,585	8,252
Twills	989	346	136	6	..	..	..	..	..	..	..	1	669	175	..	..	..	..	..	..	..	..	..	..	..	..	..	1,663	521	137
Woven Lungis, etc.	18	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	18	..	..
Unspecified	721	283	83	12	..	4	..	..	..	12	..	..	9	..	..	..	..	..	5	..	..	5	7	..	52	..	2	816	290	88
TOTAL PRINTED	67,109	33,138	10,256	23,512	9,995	13,880	..	..	..	81	47	192	2,837	996	92	..	9	1	139	81	9	7	10	2	114	39	32	93,799	44,316	24,465
DYED GOODS:—																															
Cambrics	8,988	5,055	1,649	..	..	11	..	..	..	3,925	3,007	1,151	71	24	254	12	100	2	161	71	712	1	2	1	3	17	65	13,161	8,277	3,846
Chadars	6	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	6	..	..
Checks, etc.	4,904	2,252	437	79	5	5	..	1	..	2	..	..	58	8	26	..	..	..	160	31	3	..	..	6	1	1	..	5,204	2,299	476
Dhutis	181	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	181	..	..
Drills and Jeans	2,061	1,807	1,435	661	453	486	..	..	..	..	..	..	3	5	..	2	..	..	..	..	..	11	..	..	5	..	2	2,743	2,264	1,923
Flannels, etc.	84	6	5	1,282	419	1,032	..	..	..	..	..	..	177	29	..	..	..	..	..	..	..	1	..	..	..	..	..	1,544	455	1,038
Italian Cloth	7,400	4,542	2,681	151	73	132	..	..	..	..	..	..	684	448	98	..	..	..	..	2	3	..	..	..	..	3	15	8,235	5,069	2,930
Lungis	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Prints and Chintz	115	62	42	73	..	12	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	188	62	54
Saries and Scarves	33	40	..	..	..	..	..	..	..	..	..	..	..	1	7	..	..	..	..	1	..	..	..	..	1	..	12	34	42	40
Shirtings	14,340	6,665	3,543	2,218	1,605	880	1	..	..	..	..	..	3	..	29	25	50	4	..	..	21	..	1	1	35	2	..	16,623	8,324	4,458
Twills	5,583	3,929	2,273	328	221	169	..	..	..	..	..	1	981	664	702	40	..	..	..	..	..	4	6	..	13	..	4	6,950	4,821	3,149
Woven Lungis	163	28	9	..	..	..	..	..	..	..	..	..	3	1	..	7	..	..	..	..	..	..	..	..	..	..	..	173	29	9
Unspecified	2,658	1,229	244	1,202	874	982	..	1	1	80	33	86	51	21	12	2	..	..	49	40	10	105	54	43	68	64	33	4,216	2,315	1,412
TOTAL DYED	46,515	25,614	12,318	5,994	3,650	3,710	1	2	1	4,007	3,042	1,238	2,032	1,200	1,127	88	150	6	371	146	749	123	64	52	127	89	132	59,257	33,958	19,384
WOVEN COLOURED:—																															
Cambrics	159	183	6	..	..	..	..	..	..	26	..	..	..	4	..	..	..	..	2	..	..	..	..	..	1	..	..	187	187	6
Chadars	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Checks, etc.	5,041	4,881	326	108	554	80	..	..	..	..	13	..	103	197	10	..	69	..	3	..	..	4	1	..	17	8	..	5,276	5,723	417
Coatings, etc.	922	428	215	66	..	19	..	..	..	..	8	..	1,219	482	45	4	..	..	..	..	..	40	7	..	415	175	80	2,666	1,101	359
Dhutis	16	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	16	..	..
Drills and Jeans	36	6	..	15,573	6,736	1,963	..	..	..	..	..	..	34	..	..	..	..	..	..	..	..	..	12	..	..	30	..	15,642	6,783	1,963
Flannels, etc.	238	148	69	..	24	..	..	..	..	..	..	..	169	113	33	..	..	..	..	..	..	..	..	..	..	..	..	407	284	102
Lungis and Sarongs	262	216	11	..	..	..	..	..	..	..	..	..	..	..	..	6	..	..	..	..	13	1	..	..	3	3	..	273	220	23
Prints and Chintz	2	15	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2	16	..
Saries and Scarves	57	29	..	..	..	..	..	..	..	..	3	..	..	..	..	..	..	..	1	..	..	..	..	..	..	..	4	59	32	4
Shirtings	2,205	1,552	86	2,175	1,001	52	..	..	..	..	..	..	12	70	..	7	7	4	..	..	..	5	1	..	4	61	..	4,408	2,692	142
Twills	5	15	3	7,348	2,163	462	..	..	..	..	..	..	17	1	..	..	..	..	..	..	..	..	..	..	..	62	..	7,370	2,241	466
Velvets	286	227	58	30	114	231	..	..	..	..	..	..	23	15	8	..	..	..	..	..	..	190	94	111	19	7	7	547	456	416
Unspecified	558	156	16	20	32	..	..	..	..	21	..	..	40	24	1	12	14	..	2	..	..	2	1	..	115	61	95	770	287	113
TOTAL WOVEN	9,789	7,855	792	25,318	10,624	2,807	..	..	..	48	24	..	1,616	905	97	29	91	5	8	..	13	242	116	111	574	407	187	37,623	20,022	4,012
TOTAL COLOURED, PRINTED & DYED	123,413	66,608	23,366	54,824	24,269	20,397	1	2	1	4,136	3,113	1,430	6,485	3,101	1,318	116	250	12	518	227	771	372	190	165	815	535	351	190,679	98,296	47,811
Fents of all kinds	11,061	3,190	3,749	241	25	89	..	..	..	21,635	9,404	8,790	71	78	73	..	..	..	99	96	42	15	21	6	5	25	79	33,126	12,839	12,828
TOTAL PIECEGOODS	276,173	140,396	59,253	208,275	104,757	75,314	6,761	257	838	27,303	13,451	10,641	6,886	3,790	2,033	2,543	1,705	1,666	3,234	1,956	3,019	497	334	280	1,560	762	881	533,231	267,408	153,924
Towels in the Piece	1	3	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	4	1
Piecegoods of Cotton and Artificial Silk	4,406	1,720	598	10,678	17,997	43,461	769	1,240	152	874	17	..	6,584	3,389	2,674	32	31	3	5,403	4,811	2,387	465	219	60	1,847	1,099	667	31,057	30,522	50,003
Canvas	221	177	65	68	93	95	..	..	..	..	..	..	218	296	22	7	9	6	..	..	..	26	20	30	5	3	..	546	597	218
GRAND TOTAL	280,801	142,296	59,917	219,021	122,846	118,870	7,530	1,497	990	28,177	13,468	10,641	13,688	7,475	4,729	2,582	1,744	1,675	8,637	6,767	5,406	988	573	369	3,411	1,863	1,549	564,835	298,530	204,146

TABLE No. 29.

SUMMARY OF IMPORTS OF COTTON PIECEGOODS INTO BOMBAY.

(In thousands of yards.)

	United Kingdom.			Japan.			China (including Hongkong).			U.S. of America.			Italy.			Netherlands.			Switzerland.			Germany.			Other Countries.			Total.		
	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.
Grey Plain	28,787	14,188	11,148	147,373	71,427	44,956	6,759	255	835	807	310	265	..	..	..	1	1	..	..	..	..	..	2	..	135	4	16	183,862	86,186	57,220
Grey Bordered ..	14,542	7,917	121	4,081	2,293	242	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2	..	..	18,625	10,210	363
White Bleached ..	98,370	48,493	20,869	1,755	6,742	9,631	..	..	1	724	624	155	330	611	643	2,426	1,454	1,654	2,618	1,634	2,207	111	122	108	604	197	435	106,938	59,876	35,702
Printed	67,109	33,138	10,256	23,512	9,995	13,880	..	..	..	81	47	192	2,837	996	92	..	9	1	139	81	9	7	10	2	114	40	32	93,799	44,316	24,465
Dyed	46,515	25,614	12,318	5,994	3,650	3,710	1	2	1	4,007	3,042	1,238	2,032	1,200	1,128	88	150	6	371	146	749	123	64	52	127	89	132	59,257	33,958	19,334
Woven Coloured ..	9,789	7,855	792	25,318	10,624	2,807	..	..	..	48	24	..	1,616	905	97	29	91	5	8	..	13	242	116	111	574	407	187	37,623	20,022	4,012
Fents of all descriptions	11,061	3,190	3,749	241	25	89	..	..	..	21,635	9,404	8,790	71	78	73	..	..	..	99	96	42	15	21	6	5	25	79	33,126	12,859	12,828
Towels in the piece ..	1	3	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	4	1
Piecegoods of Cotton and Artificial Silk ..	4,406	1,720	598	10,678	17,997	43,461	769	1,240	152	874	17	..	6,584	3,389	2,674	32	31	3	5,403	4,811	2,387	465	219	60	1,847	1,099	667	31,057	30,522	50,003
Canvas	221	177	65	68	93	95	..	..	..	..	..	..	218	296	22	7	9	6	..	..	..	26	20	30	5	3	..	546	597	218
TOTAL ..	280,801	142,296	59,917	219,021	122,846	118,870	7,530	1,497	990	28,177	13,468	10,641	13,688	7,475	4,729	2,582	1,744	1,675	8,637	6,767	5,406	988	573	369	3,411	1,863	1,549	564,835	298,530	204,146

TABLE No. 30.

EXPORTS OF COTTON PIECEGOODS OF INDIAN MANUFACTURE FROM BRITISH INDIA.

(In thousands of yards.)

Description.	European Countries.			China.			Egypt and North Africa.			Red Sea Ports.			East Africa.			Levant and Black Sea Ports.			Ceylon and Straits.			Persian Gulf.			South Africa.			Other Countries.			Total.		
	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.
GREY (UNBLEACHED):—																																
Chadars and Dhutis ..	..	..	2	..	..	..	..	..	..	563	232	121	3,326	1,953	1,676	..	..	..	409	123	106	63	62	38	16	5	11	4	1	..	4,381	2,274	1,953
Drills and Jeans ..	1	10	..	..	..	..	..	..	..	38	41	25	107	24	4	17	..	..	63	38	15	74	30	83	30	..	..	..	..	..	329	109	128
T-cloths and Domestics .	..	..	..	..	..	..	..	..	..	1,632	716	763	636	606	25	..	4	..	143	5	..	19	105	2	9	..	..	..	..	..	2,440	1,435	790
Shirtings	..	1	..	..	..	..	13	135	..	438	651	413	1,292	2,764	3,866	18	..	..	71	44	40	106	240	175	67	58	12	2	..	..	2,008	3,875	4,506
Other Sorts	165	90	43	..	..	1	606	547	453	1,773	763	397	4,043	873	314	212	4	..	391	150	128	795	401	110	242	59	44	122	66	31	8,349	2,858	1,521
TOTAL GREY ..	166	100	44	..	..	1	619	682	453	4,444	2,403	1,718	9,406	6,219	5,886	246	8	..	1,078	360	290	1,057	838	409	364	122	67	127	67	31	17,508	10,551	8,898
WHITE (BLEACHED):—																																
Chadars and Dhutis ..	..	..	..	..	..	..	..	..	..	28	..	4	2	4	..	..	..	..	190	109	25	2	..	..	2	..	..	5	..	..	228	113	28
Drills and Jeans ..	..	..	..	..	..	..	..	..	..	..	5	..	29	6	2	..	..	..	5	..	5	..	4	19	3	3	2	..	1	1	38	19	28
T-cloths and Domestics..	..	..	..	..	..	..	..	..	..	..	1	..	1	22	..	..	..	..	3	11	9	48	6	..	..	..	..	..	..	..	52	40	10
Shirtings	..	..	..	..	..	..	..	..	..	14	5	4	24	28	4	..	..	..	4	6	3	5	6	..	2	2	..	..	..	..	46	45	11
Other Sorts	..	..	1	..	..	..	9	1	..	264	13	4	90	74	15	13	..	..	462	177	86	159	10	6	74	..	..	..	1	..	1,072	277	112
TOTAL WHITE ..	..	..	1	..	..	..	9	1	..	306	22	12	146	133	21	13	..	..	664	303	127	213	26	25	79	5	2	5	2	1	1,437	493	189
COLOURED, PRINTED OR DYED:—																																
Lungis and Saries ..	..	2	..	..	..	..	..	..	..	1,293	1,367	1,192	156	175	44	9	..	..	26,577	21,076	14,402	76	409	40	94	94	113	..	..	..	28,204	22,822	15,790
Drills and Jeans ..	143	72	..	29	44	32	7	1	..	39	3	4	574	165	249	37	14	..	243	184	90	1,223	1,054	711	53	11	15	19	2	3	2,370	1,551	1,104
Other Sorts	144	123	22	138	85	22	40	36	7	4,260	2,292	1,444	24,838	19,557	21,043	75	2	3	17,576	13,655	15,699	46,238	30,180	33,721	3,007	1,637	764	79	189	231	96,395	67,756	72,956
TOTAL COLOURED, PRINTED OR DYED ..	287	197	22	167	129	53	47	37	7	5,593	3,662	2,640	25,568	19,898	21,336	121	16	3	44,396	34,915	30,192	47,537	31,643	34,471	3,155	1,742	892	98	190	234	126,969	92,130	89,851

See foot-note to Table 24.

TABLE No. 31.

EXPORTS OF COTTON PIECEGOODS OF INDIAN MANUFACTURE FROM BOMBAY.

(In thousands of yards.)

	European Countries.			China.			Egypt and North Africa.			Red Sea Ports.			East Africa.			Levant and Black Sea Ports.			Ceylon and Straits.			Persian Gulf.			South Africa.			Other Countries.			TOTAL.		
	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.
GREY (Unbleached):—																																	
Chadars and Dhutis	..	..	2	..	..	..	..	..	..	563	232	121	3,326	1,953	1,676	..	..	..	41	22	45	63	62	38	14	5	9	..	..	..	4,007	2,274	1,890
Drills and Jeans	..	10	..	..	..	..	..	..	..	38	41	25	107	24	4	17	..	..	1	3	2	74	30	83	30	..	..	..	1	..	266	109	115
T-Cloths and Domestics	..	..	..	..	..	..	..	..	..	1,632	716	763	638	606	25	..	..	..	143	5	..	19	105	2	9	..	..	..	..	..	2,440	1,435	790
Shirtings	..	1	..	..	..	..	13	135	..	438	651	413	1,279	2,764	3,866	18	..	..	58	27	20	94	240	175	67	58	12	1	..	..	1,970	3,875	4,486
Other Shorts	165	90	40	..	..	1	606	547	453	1,773	763	397	4,043	873	314	212	4	..	319	55	28	795	404	110	242	59	44	107	66	31	8,262	2,858	1,417
TOTAL GREY ..	165	100	41	..	..	1	619	682	453	4,443	2,403	1,718	9,393	6,219	5,886	246	8	..	562	111	95	1,045	838	409	362	122	65	108	67	31	16,945	10,551	8,699
WHITE (Bleached):—																																	
Chadars and Dhutis	..	..	..	..	..	..	..	..	..	28	..	4	2	4	..	..	..	..	..	..	2	2	..	..	2	..	..	..	..	..	33	4	5
Drills and Jeans	..	..	..	..	..	..	..	..	..	..	5	..	28	5	..	..	..	..	..	..	..		4	19	..	..	..	..	..	..	28	14	19
T-Cloths and Domestics	..	..	..	..	..	..	..	..	..	..	1	..	1	22	..	..	..	..	1	..	..	48	6	..	..	..	..	..	..	..	50	29	..
Shirtings	..	..	..	..	..	..	..	..	..	14	3	4	24	28	4	..	..	..	..	1	2	5	2	..	..	2	..	..	..	..	43	36	9
Other Sorts	..	..	..	..		..	9	..	..	264	13	4	90	74	15	13	..	..	238	101	49	124	9	6	..	..	..	..	..	..	738	196	74
TOTAL WHITE ..	..	..	..	..	..	..	9	..	..	306	22	11	145	132	19	13	..	..	239	102	52	178	21	25	2	2	..	..	..	..	893	280	107
COLOURED, PRINTED OR DYED:—																																	
Lungis and Saris	..	2	..	..	..	..	..	..	..	1,187	1,307	1,061	156	175	44	9	..	..	32	38	16	72	107	39	9	33	21	..	..	..	1,464	1,661	1,181
Drills and Jeans	131	72	..	..	..	..	7	..	..	37	..	1	567	165	247	37	14	..	9	..	3	1,223	1,054	711	11	4	..	..	..	..	2,023	1,309	962
Other Sorts	119	21	7	3	..	2	40	36	7	4,238	2,250	1,354	24,829	19,553	21,027	75	2	3	2,718	2,115	1,332	45,803	29,933	33,008	2,577	1,298	584	53	50	58	80,455	55,259	57,383
TOTAL COLOURED, PRINTED OR DYED	249	95	7	3	..	2	47	36	7	5,462	3,557	2,416	25,552	19,893	21,318	121	16	3	2,760	2,153	1,351	47,098	31,094	33,758	2,596	1,335	604	53	50	58	83,942	58,229	59,525

See foot-note to Table 24.

TABLE No. 32.

RE-EXPORTS OF FOREIGN MANUFACTURED PIECEGOODS AND YARN FROM BRITISH INDIA.

	YARN (In thousand pounds).												PIECEGOODS (In thousand yards).														
	Twist & Yarn.			Rope.			Sewing Thread.			Total.			Grey.			White.			Coloured, etc.			Fents.			Total.		
	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.
European Countries ..	1	2	2	..	..	..	16	2	2	17	5	4	31	13	9	12	11	22	59	141	20	15	5	3	118	171	54
China & Hongkong ..	..	..	..	..	..	..	..	..	..	..	..	..	5	..	5	8	7	14	26	20	29	..	..	..	38	28	49
Egypt & North Africa ..	..	1	1	..	..	..	..	1	..	..	1	1	..	..	..	8	1	..	6	4	..	..	..	..	14	5	..
Red Sea Ports	44	42	5	..	..	..	..	..	..	44	42	6	554	729	219	125	88	48	351	221	48	..	..	..	1,030	1,038	316
East Africa	3	1	1	..	..	..	36	29	17	39	30	18	949	457	788	233	189	212	989	706	619	1	1	..	2,172	1,353	1,619
Levant & Black Sea Ports..	28	13	1	..	..	..	..	..	..	28	13	1	..	..	..	..	..	..	..	..	..	2	2	..	2	2	..
Ceylon & Straits	3	10	9	..	..	..	1	1	5	5	11	13	287	114	113	686	294	199	802	612	400	..	3	..	1,775	1,023	713
Persian Gulf	428	298	380	..	..	..	5	6	5	434	304	385	3,134	6,952	4,409	2,632	2,231	1,967	8,445	5,422	5,708	15	1	..	16,226	14,605	12,084
South Africa	..	..	..	..	..	..	9	10	14	9	10	14	8	6	2	116	1	1	418	261	119	..	..	..	543	267	121
ther countries	..	..	..	..	..	..	..	..	..	..	..	..	12	7	..	..	12	24	5	32	17	23	4	5	41	56	46
TOTAL ..	508	367	399	..	..	..	68	49	42	576	416	441	6,980	8,277	5,545	3,819	2,834	2,488	11,102	7,418	6,960	57	17	8	21,959	18,548	15,001

TABLE No. 33.

RE-EXPORTS OF FOREIGN MANUFACTURED PIECEGOODS AND YARN FROM BOMBAY.

Countries	YARN (In thousand pounds).												PIECEGOODS (In thousand yards).														
	Twist & Yarn.			Rope.			Sewing Thread.			TOTAL.			Grey.			White.			Coloured.			Fents.			TOTAL.		
	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.	1929.	1930.	1931.
European Countries	..	1	2	..	..	..	15	..	..	15	1	2	23	1	1	2	7	..	15	75	4	15	5	3	55	88	8
China and Hongkong ..	..	..	..	..	..	..	..	..	..	..	..	..	4	..	5	6	7	14	26	20	28	..	..	..	35	28	47
Egypt and North Africa ..	..	1	1	..	..	..	..	..	..	..	1	1	..	..	..	..	1	..	..	4	..	..	..	..	..	5	..
Red Sea Ports	44	42	5	..	..	..	..	..	..	44	42	6	549	729	219	117	88	48	351	221	48	..	..	..	1,017	1,038	316
East Africa	3	1	1	..	..	..	36	29	17	39	30	18	949	457	784	181	174	142	986	705	619	1	1	..	2,118	1,338	1,545
Levant and Black Sea Ports	28	13	1	..	..	..	..	..	..	28	13	1	..	..	..	..	..	..	..	..	..	2	2	..	2	2	..
Ceylon and Straits	3	10	8	..	..	..	1	1	3	5	11	11	41	76	44	260	186	100	673	435	227	..	3	..	974	700	370
Persian Gulf	428	298	380	..	..	..	5	6	5	434	303	385	5,034	6,928	4,403	2,346	2,022	1,774	6,917	4,581	5,539	13	..	..	14,309	13,531	11,715
South Africa	..	..	..	..	..	..	9	10	14	9	10	14	8	6	2	24	1	1	418	260	119	..	..	..	451	267	121
Other Countries	..	..	..	..	..	..	..	..	..	..	..	..	8	4	..	..	12	24	4	25	17	21	2	..	33	43	41
TOTAL ..	507	366	398	..	..	..	66	46	40	573	411	438	6,615	8,200	5,457	2,936	2,498	2,103	9,391	6,326	6,600	53	14	3	18,994	17,039	14,163

TABLE No. 34.

TABLE SHOWING THE APPROXIMATE YARDAGE OF PIECEGOODS AVAILABLE FOR CONSUMPTION IN INDIA.

(In millions of Yards.)

	'12-13.	'13-14	'14-15.	'15-16.	'16-17.	'17-18.	'18-19.	'19-20.	'20-21.	'21-22.	'22-23.	'23-24.	'24-25.	'25-26.	'26-27.	'27-28.	'28-29.	'29-30.	'30-31.
Total Indian Mill Production	1,220	1,164	1,136	1,441	1,578	1,614	1,451	1,640	1,581	1,732	1,725	1,792	1,970	1,954	2,259	2,357	1,893	2,419	2,561
Less—Exports by Sea	87	89	67	113	264	189	149	197	146	161	157	165	181	165	197	169	149	133	98
Exports by Land	38	41	43	48	45	45	38	42	24	26	29	36	49	68*	83*†	88*†	95 *†	86*†	90
Balance	1,095	1,034	1,026	1,280	1,269	1,380	1,264	1,401	1,411	1,545	1,539	1,591	1,740	1,721	1,979	2,100	1,649	2,200	2,373
Imports	3,023	3,197	2,446	2,148	1,934	1,556	1,212	1,081	1,510	1,090	1,593	1,486	1,823	1,564	1,788	1,973	1,937	1,919	890
Total	4,118	4,231	3,472	3,428	2,203	2,936	2,476	2,482	2,921	2,635	3,132	3,077	3,563	3,285	3,767	4,073	3,586	4,119	3,263
Less—Exports by Sea	67	62	35	41	97	85	114	89	61	74	75	61	54	35	29	34	24	22	17
Exports by Land	108	93	83	88	65	65	53	56	44	36	51	51	59	116*	131*†	118*†	121	89	64
Total quantity of Piecegoods available for consumption in India	3,943	4,076	3,354	3,299	2,041	2,786	2,309	2,337	2,816	2,525	3,006	2,965	3,450	3,134	3,607	3,921	3,441	4,008	3,182

From 1912-13 to 1924-25 the figures in both the tables are taken *en bloc* from the " Notes on Hand Loom Weaving" by Mr. R. D. Bell.

NOTE:—With effect from 1st April 1925, the Government of India discontinued the publication of "Accounts relating to the trade by land of British India with other countries." Since then, the statistics in question are published in Special Supplements to the *Indian Trade Journal* in an abbreviated form. The revised form does not affect the above table materially but in Table 35 it has not been possible to separate the land export figures for Indian and foreign yarn. This, however, does not affect the approximate accuracy of the figure showing the balance of yarn available for consumption in India.

† Maunds converted into lbs. and lbs. converted into yds: 1 Maund=82⅔ lbs; 1 lb.=4·27 yds.

TABLE No. 35.

TABLE SHOWING THE APPROXIMATE POUNDAGE OF YARN AVAILABLE FOR CONSUMPTION IN INDIA.

(In millions of Lbs.)

	'12-13.	'13-14.	'14-15.	'15-16.	'16-17.	'17-18.	'18-19.	'19-20.	'20-21.	'21-22.	'22-23.	'23-24.	'24-25.	'25-26	'26-27.	'27-28.	'28-29.	'29-30.	'30-31.
Total Indian Mill Production	688	682	652	722	681	660	615	636	660	693	706	617	719	686	807	809	648	833	867
Less—Exports by Sea	204	198	134	160	169	122	64	152	83	81	57	39	37	32	42	25	24	25	23
Exports by Land	11	9	9	8	9	8	8	9	6	7	7	7	9	7*	8*†	5*†	5 *†	6*†	7*†
Balance	473	475	509	554	503	530	543	475	571	605	642	571	673	647	757	779	619	802	837
Imports	50	44	43	40	30	19	38	15	47	57	59	45	56	52	49	52	44	44	29
Total	523	519	552	594	533	549	581	490	618	662	701	616	729	699	806	831	663	846	866
Less—Export by Sea	1	1	1	1	2	1	1	3	..	1	2	2	1	1	1	1	..	..	..
Exports by Land	9	7	8	8	5	6	5	4	3	3	5	4	4	..	..	..	..	..	..
Quantity of Yarn available for consumption in India	514	511	543	586	526	543	574	483	615	658	692	610	724	698	805	830	663	846	866
Cloth produced in India in millions of pounds.	285	274	277	352	377	381	350	384	367	403	405	402	459	465	539	568	446	562	590
Approximate equivalent in Yarn (taking 100 lbs. of yarn=112 lbs. of piecegoods.) ..	254	244	247	314	337	340	312	342	328	360	362	359	410	415	481	507	384	502	527
Real balance of Yarn available for sale in India.	260	267	296	272	189	203	262	141	287	298	335	251	314	283	324	323	279	344	339

*Includes re-exports also. † Maunds converted into lbs. at the rate of 82⅔ lbs.=1 Maund.

See foot-note to Table 12 regarding strikes in Bombay mills.

TABLE NO. 36.

PROGRESS OF JAPAN COTTON MILLS DURING THE LAST 16 YEARS.

(The information is extracted from the half-yearly statistics published by the Japan Cotton Spinners' Association.)

Term.	No. of Companies.	Capital.		Reserve Funds.	No. of Mills.	Spindles		Doubling Spindles.	Looms.
		Authorised.	Paid up.			Ring.	Mule.		
Half-year ending		Yen.	Yen.	Yen.					
June, 1915	42	109,226,400	85,211,327	37,348,858	159	2,724,452	48,530	348,739	28,487
December, 1915	41	110,176,400	86,011,677	38,663,064	161	2,754,124	53,390	355,318	30,068
June, 1916	39	108,426,400	86,033,187	39,806,107	160	2,764,588	51,450	365,566	30,562
December, 1916	40	137,290,150	99,641,818	48,952,381	161	2,825,944	49,960	370,681	31,295
June, 1917	39	152,730,150	108,186,750	56,847,311	163	2,890,760	51,170	375,306	33,040
December, 1917	43	162,830,150	115,623,020	70,037,275	170	3,008,568	51,910	383,458	36,181
June, 1918	41	176,202,650	127,055,220	71,457,603	170	3,064,922	51,910	583,074	37,607
December, 1918	43	192,877,650	138,494,595	92,426,047	177	3,175,768	51,910	384,872	40,391
June, 1919	48	202,177,650	147,157,670	110,447,795	184	3,282,754	52,330	400,307	42,400
December, 1919	54	221,927,650	165,758,695	139,073,867	190	3,435,932	52,330	410,690	44,401
June, 1920	56	315,427,650	248,180,420	153,923,042	198	3,637,310	52,330	434,736	49,826
December, 1920	56	394,327,650	276,535,896	165,697,053	198	3,761,250	52,330	466,460	50,583
June, 1921	58	410,917,650	286,789,308	172,110,853	201	3,939,534	49,370	492,204	51,761
December, 1921	61	429,577,650	295,648,358	182,040,774	217	4,116,616	44,510	533,384	54,994
June, 1922	67	472,807,650	319,612,328	194,010,558	232	4,338,759	44,510	573,486	59,693
December, 1922	64	462,107,650	317,148,075	202,774,376	235	4,472,112	45,500	602,032	60,765
June, 1923	62	468,427,650	321,654,393	209,984,818	235	4,618,946	48,470	635,212	62,205
December, 1923	70*	530,277,650	376,272,935	217,407,870	241	4,422,428	14,370	510,031	64,460
June, 1924	69*	559,750,000	396,081,600	213,411,662	245	4,832,552	17,340	581,583	66,283
December, 1924	69*	575,302,500	398,163,443	219,043,315	247	5,100,546	25,150	685,995	68,579
June, 1925	64*	570,612,500	394,567,318	223,098,069	242	5,266,000	26,040	723,824	71,702
December, 1925	64*	551,362,500	382,714,817	223,531,448	243	5,413,094	34,090	759,632	73,381
June, 1926	65*	558,416,650	394,488,167	228,827,952	247	5,551,607	34,420	780,404	74,193
December, 1926	64*	539,237,500	391,305,247	231,149,181	247	5,644,772	35,080	789,688	77,043
June, 1927	64*	539,527,500	390,703,307	233,953,175	247	5,892,620	36,994	788,916	76,163
December 1927	64*	535,077,500	391,550,767	238,367,331	257	6,079,272	36,994	787,490	78,352
June 1928	68*	562,902,500	426,376,017	243,987,627	258	6,230,512	41,674	792,138	79,777
December 1928	72*	552,196,250	419,792,127	249,978,831	259	6,425,500	41,674	809,452	81,209
June, 1929	72*	558,696,250	428,098,852	257,406,526	259	6,487,720	41,674	807,100	78,870
December, 1929	70*	560,846,250	429,415,222	259,756,504	258	6,795,502	41,014	808,324	77,898
June, 1930	73*	567,596,250	433,048,087	258,259,496	262	7,047,832	41,464	801,184	77,850
December, 1930	74*	561,989,750	425,346,487	252,094,974	263	7,171,527	42,474	803,094	79,466
June, 1931	74*	560,664,750	421,327,167	243,860,512	262	7,269,120	42,474	810,294	79,173

* Including non-members of the Japan Cotton Spinners' Association.

TABLE No. 37.

JAPAN'S COTTON CONSUMPTION.

(Figures extracted from the half-yearly publication of the Japan Cotton Spinners' Association.)

Years.	Indian.	American.	Chinese.	Egyptian and African.	Annam and Saigon.	Korean.	Sundries.	Total.
	lbs.	lbs.	lbs.	lbs.	lbs.	lbs.	lbs.	lbs.
1905	215,531,242	124,278,875	70,662,350	7,365,525	2,621,333	..	2,831,175	423,290,500
1906	213,902,368	119,326,058	97,386,216	6,718,950	2,688,083	..	4,251,825	444,273,500
1907	265,737,875	111,216,408	67,479,692	7,008,467	5,027,208	..	3,645,008	460,114,658
1908	230,701,058	95,674,700	76,140,575	9,406,175	7,154,158	..	4,166,275	423,242,941
1909	306,535,475	105,293,050	53,332,225	13,087,891	6,366,292	..	4,787,692	489,402,625
1910	372,808,800	69,456,508	79,219,308	11,374,717	4,823,683	..	5,909,009	543,592,025
1911	297,798,250	111,540,908	110,200,125	13,506,525	1,837,833	..	4,321,184	539,204,825
1912	368,062,933	214,251,250	31,654,633	15,086,558	3,735,384	..	3,441,058	636,231,816
1913	434,685,666	202,441,016	46,621,309	16,699,942	7,547,250	..	4,143,508	712,138,691
1914	549,868,658	170,397,933	36,528,292	15,161,483	4,742,225	..	7,158,842	783,857,433
1915	559,320,525	209,035,492	18,389,108	13,436,266	2,641,083	..	4,998,742	807,821,216
1916	593,978,108	235,615,875	29,506,075	16,421,546	9,069,166	6,744,540	4,251,590	895,586,900
1917	590,521,080	242,144,925	42,305,808	14,717,091	3,715,905	8,194,558	4,344,308	905,943,675
1918	453,072,641	280,374,975	83,091,375	14,769,342	3,187,334	11,790,775	6,941,733	853,228,175
1919	376,648,588	355,589,221	130,970,193	15,588,908	2,265,292	11,454,470	5,037,182	897,553,824
1920	482,881,416	310,370,393	30,684,616	11,558,208	2,041,258	9,412,820	5,367,604	852,316,315
1921	521,998,441	304,763,617	3,037,340	14,600,500	3,923,158	8,744,408	3,479,358	860,546,824
1922	615,242,183	389,759,225	3,626,017	19,652,842	5,563,967	8,354,600	5,680,941	1,047,879,775
1923	652,798,508	296,423,592	25,836,858	22,140,542	2,519,492	12,054,233	7,929,408	1,019,702,633
1924	563,969,233	282,197,025	58,888,450	36,176,192	1,461,775	20,443,692	5,877,333	969,013,700
1925	637,749,440	378,526,322	47,050,425	34,567,864	2,712,025	18,994,691	9,742,440	1,129,343,210
1926	664,655,716	486,464,350	19,956,425	43,557,383	1,011,383	12,512,942	8,763,400	1,236,921,599
1927	551,571,275	562,091,700	15,841,558	39,414,575	2,958,633	9,768,591	7,474,650	1,189,120,382
1928	510,871,795	511,694,394	60,928,568	36,900,193	1,663,337	11,052,982	7,069,534	1,140,180,803
1929	643,388,869	565,561,191	29,004,654	42,942,636	572,363	14,876,498	7,260,095	1,303,606,216
1930	627,594,598	468,778,932	11,443,473	34,718,189	1,931,984	20,269,592	6,330,650	1,171,067,418
1931 (1st half)	295,581,874	250,550,240	1,581,383	17,484,287	974,859	10,467,117	2,169,331	578,809,091

NOTE:—Korean cotton before 1916 is totalled under "Sundries."

TABLE No. 38.

JAPAN'S COTTON YARN PRODUCTION AND EXPORTS

YEAR.	Average Working Spindles.	Production. (Bales of 400 lbs.)				Exports. (Bales of 400 lbs.)						
		16s. warp.	20s. weft.	Others.	Total.	China.	Hongkong.	British India.	Philippine Islands.	Korea.	Other countries.	Total.
1904	1,249,086	251,867.0	157,048.0	286,297.5	695,212.5	215,159	22,749	..	1,512	17,840	47	257,308
1905	1,329,404	309,173.0	209,816.0	386,547.5	905,536.5	232,666	7,384	90	2,311	24,867	64	267,383
1906	1,404,714	323,664.0	227,628.0	393,873.5	945,165.5	243,219	6,253	15	2,277	15,462	121	267,348
1907	1,458,020	341,433.0	218,665.0	423,384.5	983,482.5	190,868	7,829	396	2,215	25,073	93	226,475
1908	1,367,631	224,897.5	209,475.0	444,198.0	878,570.5	134,267	6,511	41	2,645	21,807	2,573	167,843
1909	1,569,080	295,802.0	229,763.5	499,678.5	1,025,244.5	236,102	3,389	15	1,524	14,725	3,123	258,878
1910	1,741,168	338,175.0	258,412.5	538,193.0	1,134,780.5	301,535	17,953	701	3,503	19,825	4,118	347,635
1911	1,784,064	295,065.5	262,298.5	571,903.0	1,129,267.0	234,324	12,918	1,809	3,076	22,828	10,054	285,009
1912	1,984,191	346,844.5	335,821.0	669,544.0	1,352,209.5	304,199	29,091	989	3,625	21,034	15,994	374,933
1913	2,167,926	396,645.5	371,522.5	749,814.0	1,517,982.0	389,297	34,031	3,258	3,296	15,237	23,620	468,739
1914	2,369,801	388,992.0	439,672.5	837,516.0	1,666,181.0	455,124	66,124	3,144	4,791	19,020	21,787	569,990
1915	2,463,376	393,027.0	443,040.5	884,197.0	1,720,264.5	463,921	65,241	1,565	3,629	26,688	14,848	575,892
1916	2,757,299	409,053.0	497,291.0	1,019,234.5	1,925,579.0	440,158	50,381	11,744	1,889	26,137	16,839	547,148
1917	2,850,637	359,623.0	528,603.0	1,035,615.5	1,923,841.5	356,576	58,405	9,313	3,260	27,597	15,702	470,853
1918	2,936,495	228,818.5	511,538.0	1,063,509.5	1,803,866.0	231,689	62,598	79,426	5,685	13,053	29,062	421,513
1919	3,179,568	204,486.6	539,748.0	1,176,548.0	1,920,782.5	156,261	35,638	4,753	693	16,047	16,945	230,337
1920	3,191,753	196,928.5	191,141.5	1,128,906.0	1,816,976.0	166,711	58,349	47,615	2,548	5,535	24,167	304,925
1921	3,162,353	215,682.5	436,629.5	1,159,038.0	1,811,350.0	174,584	56,211	37,164	1,418	..	22,884	292,261
1922	3,967,265	205,489.5	746,731.0	1,276,025.5	2,228,246.0	212,862	83,394	68,319	2,896	..	26,591	394,062
1923	4,079,855	170,357.0	680,708.0	1,320,088.0	2,171,153.0	121,568	40,108	58,937	2,267	..	28,778	248,325
1924	4,115,692	135,844.0	631,476.0	1,305,497.5	2,072,817.5	96,536	61,493	80,840	1,799	..	29,692	270,361
1925	4,669,753	142,796.0	779,203.5	1,514,784.0	2,436,783.5	132,778	58,788	87,172	3,176	..	28,888	310,801
1926	5,002,932	146,983.0	795,170.0	1,665,599.5	2,607,746.5	72,640	29,286	72,283	3,201	..	28,140	205,550
1927	4,831,429	140,924.0	784,673.0	1,605,095.5	2,530 692.5	28,762	12,887	54,508	1,921	..	19,577	117,654
		Under 20.	20s.	Medium Counts.	Fine Counts.	Total.						
1928	4,983,089	721,557.5	736,766.5	906,924.5	86,613.5	2,451,862.0	22,626	15,921	17,260	1,217	..	14,632	71,656
1929	6,149,365	827,363.5	878,405.5	984,991.5	101,825.5	2,792,586.0	17,637	6,988	27,514	1,826	..	13,436	67,401
1930	5,698,030	780,498.0	808,560.0	834,426.5	101214.5	2,524,699.0	13,493	13,272.5	20,390	1,255	..	10,975.5	59,386
1931	5,904,342	809,822.5	803,442.0	814,398.5	139 470.5	2,567,133.5	3,839.5	2,349.0	16 094.0	1,367.5	..	7,792.3	31,442.0

TABLE NO. 39.

JAPAN'S CLOTH PRODUCTION.

Year.	Average Working looms.	Production of cotton piece-goods.	Yarn consumed.*
		Yards.	lbs.
1904	4,891	80,947,348	22,484,284
1905	6,420	114,908,132	36,454,146
1906	8,491	137,773,415 Doz. 32,784	40,702,848
1907	9,245	135,253,029 Doz. 02,533	44,262,958
1908	9,496	147,443,838	47,676,427
1909	11,585	181,976,972	57,388,586
1910	14,911	226,313,958	71,197,654
1911	17,884	289,039,671	82,498,136
1912	20,208	342,584,684	93,562,721
1913	23,299	416,725,357	11,159,616
1914	24,911	454,901,674	126,863,966
1915	27,687	502,076,621	124,632,631
1916	30,110	560,181,108	136,413,408
1917	31,920	594,649,419	142,770,758
1918	36,365	656,935,420	160,301,569
1919	40,969	739,390,012	179,788,560
1920	44,635	762,037,360	189,651,320
1921	44,109	700,697,985	179,427,501
1922	51,033	869,327,652	214,327,505
1923	52,972	1,000,708,890	240,979,975
1924	56,351	1,030,905,658	241,319,095
1925	62,976	1,179,524,733	274,472,668
1926	65,699	1,277,726,954	294,334,545
1927	66,733	1,294,668,822	293,166,913
1928	70,606	1,382,034,413	303,008,225
1929	67,070	1,538,249,015	336,276,152
1930	62,767	1,388,423,325	296,592,495
1931	64,392	1,404,668,382	301,231,848

* Sub-work by spinners' only.
Sub-work by spinners means that the table in question was prepared from the reports of the weaving companies which are affiliated to the Japan Cotton Spinners' Association.

TABLE NO. 40.

STATISTICS.

STATEMENT of Imports of Piecegoods of British Manufacture (Grey, Bleached, Coloured and Printed) and of Yarns (Grey and Dyed) from Great Britain into Bombay, Calcutta and Madras, from the years 1861 to 1931, both inclusive.

YEAR.	PIECEGOODS.			YARNS.		
	Bombay.	Calcutta.	Madras.	Bombay.	Calcutta.	Madras.
	Sq. Yards.	Sq. Yards.	Sq. Yards.	Lbs.	Lbs.	Lbs.
1861	272,573,717	418,671,687	14,628,188	5,578,828	13,933,256	3,694,985
1862	178,803,604	295,508,637	9,748,215	4,811,384	9,594,896	1,675,239
1863	232,321,038	234,645,916	16,352,677	5,592,995	10,394,931	3,702,562
1864	189,812,984	223,036,538	14,787,062	4,268,662	8,742,699	3,447,635
1865	175,486,677	319,047,954	17,291,203	4,073,811	6,981,809	2,232,948
1866	243,476,368	351,572,331	22,081,805	6,877,968	10,795,517	4,629,986
1867	316,784,109	528,434,956	23,258,498	6,568,619	13,006,019	4,684,638
1868	555,337,050	619,101,683	31,793,397	7,780,033	13,236,453	6,873,398
1869	296,158,439	518,741,346	29,683,469	7,981,949	11,858,210	7,773,636
1870	272,898,226	687,639,911	45,750,099	9,946,299	16,816,936	6,649,598
1871	305,416,233	684,926,367	47,560,133	6,097,531	12,041,848	8,876,841
1872	262,849,273	657,123,291	48,177,871	6,163,813	11,490,636	8,616,040
1873	349,631,830	664,987,114	57,666,809	8,667,090	11,192,248	8,918,841
1874	292,843,697	765,762,164	49,878,834	8,867,978	14,041,520	10,510,639
1875	305,917,934	744,439,224	44,683,288	6,863,763	12,945,102	10,104,020
1876	356,940,508	733,913,330	54,875,423	8,246,211	12,090,167	9,664,609
1877	354,779,192	885,688,850	39,106,318	10,624,710	14,364,841	8,683,595
1878	344,068,807	749,233,431	47,038,579	7,754,005	13,967,396	8,373,916
1879	343,811,233	788,759,250	61,375,691	7,469,113	10,580,436	9,581,363
1880	531,050,559	1,007,531,497	77,010,037	13,024,923	16,446,089	12,108,002
1881	544,890,697	947,329,460	82,451,852	12,326,706	13,597,371	11,099,762
1882	500,248,293	883,611,784	106,615,818	12,019,123	14,780,667	13,069,871
1883	572,738,196	878,949,353	107,868,579	16,220,463	13,478,764	11,033,824
1884	568,220,318	908,294,475	120,841,003	14,299,380	15,313,840	13,114,875
1885	547,773,459	911,987,148	93,757,204	14,132,372	13,473,067	99,597,197
1886	700,061,881	1,159,407,968	143,318,736	17,087,709	14,177,149	13,937,810
1887	585,502,258	988,370,500	117,502,619	14,990,151	14,040,137	13,432,638
1888	652,344,548	1,045,951,384	138,271,060	16,595,176	14,778,545	14,570,258
1889	634,608,171	1,031,000,980	144,140,943	13,011,348	11,836,681	13,393,848
1890	665,550,786	1,037,911,379	115,224,797	15,805,515	12,455,601	13,284,690
1891	572,065,309	961,686,226	108,083,576	15,526,869	12,484,617	14,666,189
1892	548,944,867	1,013,742,658	93,892,712	12,427,053	10,108,327	10,390,439
1893	604,439,138	1,009,441,511	106,086,291	10,466,233	13,124,097	11,387,889
1894	719,324,449	1,161,138,343	140,749,235	11,723,808	10,529,734	12,547,763
1895	484,780,087	925,203,136	99,427,366	10,857,586	10,689,066	10,188,466
1896	574,410,316	1,163,967,702	86,265,292	11,649,977	13,403,663	15,402,931
1897	472,597,133	932,328,974	121,396,515	11,788,246	13,299,211	13,650,022
1898	557,597,951	1,202,254,978	91,950,978	10,238,969	11,412,068	11,673,878
1899	611,556,220	1,266,926,546	93,492,746	10,441,484	10,729,842	11,532,812
1900	461,938,302	1,086,463,274	120,383,837	5,892,081	9,435,371	9,496,085
1901	629,976,200	1,127,753,500	129,392,500	7,911,750	11,050,890	9,564,200
1902	475,541,800	1,176,051,500	119,878,000	6,299,820	7,411,640	9,438,560
1903	520,373,400	1,119,542,300	129,898,800	5,300,460	6,442,050	6,699,580
1904	593,591,100	1,193,265,900	145,618,800	6,221,400	6,613,460	8,056,710
1905	637,039,600	1,292,516,900	119,829,700	11,368,420	11,443,550	10,175,810
1906	611,705,100	1,189,552,900	142,636,200	10,548,720	10,300,210	10,260,270
1907	646,598,400	1,298,662,500	131,107,800	10,419,750	9,921,670	7,601,280
1908	470,956,400	1,005,027,600	200,636,400	10,894,540	9,019,320	10,432,380
1909	481,389,100	1,180,586,000	108,497,400	16,251,580	8,448,010	6,169,190
1910	624,859,600	1,129,898,600	109,976,800	8,410,140	6,384,450	6,891,410
1911	622,516,400	1,226,065,400	138,414,300	12,842,440	9,179,460	8,364,340
1912	658,026,700	1,451,819,200	173,698,700	13,298,110	11,913,170	10,745,130
1913	804,333,100	1,547,872,400	210,797,700	13,628,700	7,519,860	9,497,740
1914	617,498,700	1,378,930,300	160,552,000	13,538,110	9,985,330	8,280,706
1915	354,966,900	1,052,246,400	106,332,200	15,423,650	8,974,950	10,801,200
1916	481,857,500	1,035,437,900	88,153,700	8,931,510	5,922,490	7,583,020
1917	851,853,300	898,872,200	78,886,500	5,185,900	5,646,600	6,295,900
1918	429,754,300	449,044,800	33,046,000	2,054,500	2,211,400	3,490,800
1919	275,575,100	423,299,200	37,684,300	3,217,300	2,401,100	3,201,100
1920	569,054,700	656,277,100	69,872,000	10,850,000	5,096,900	6,011,600
1921	265,737,000	744,049,100	50,486,100	18,383,900	7,573,200	7,257,800
1922	410,565,000	854,974,300	77,837,700	21,204,800	7,284,200	7,471,600
1923	476,873,200	797,622,700	89,096,800	9,024,500	5,154,800	5,978,300
1924	553,405,800	938,652,800	91,324,300	9,281,600	4,280,600	5,613,800
1925	524,457,900	767,338,700	72,441,200	6,244,300	4,184,500	4,465,500
1926	504,044,100	902,411,700	93,138,100	8,809,600	4,286,100	6,244,000
1927	576,045,900	924,941,700	84,499,100	8,681,600	5,262,900	6,660,400
1928	687,653,200	710,112,300	92,249,700	9,089,800	4,960,500	6,791,500
1929	511,977,900	687,826,200	108,049,200	8,318,800	4,031,000	8,447,700
1930	317,988,200	345,331,500	75,803,600	4,734,900	1,959,400	4,620,200
1931	231,407,000	77,021,300	59,272,200	3,407,100	2,608,000	4,785,100

Figures from "Accounts relating to Trade and Navigation of the United Kingdom."

Report for the year 1931.

Section VI.

RULES AND REGULATIONS.

Rules for the Registration of Trade Marks.

Rules for Arbitration on Piecegoods. Standard Contract Form, Etc.

RULES AND REGULATIONS.

Revised and adopted down to the Special General Meeting held on 13th February 1930.

1. The Association shall be called the Bombay Millowners' Association. Name.

2. The Office of the Association will be situate in Bombay.

3. The objects of the Association are :— Objects of the Association.

(*a*) To encourage friendly feeling and unanimity amongst Millowners and users of steam, water and/or electric power on all subjects connected with their common good.

(*b*) To secure good relations between members of the Association.

(*c*) To promote and protect the trade, commerce and manufactures of India in general and of the cotton trade in particular.

(*d*) To consider questions connected with the trade, commerce and manufactures of its members.

(*e*) To collect and circulate statistics and to collect, classify and circulate information relating to the trade, commerce and manufactures of its members.

(*f*) To take all steps which may be necessary for promoting, supporting or opposing legislative and other measures affecting the trade, commerce or manufactures of its members.

(*g*) To make representations to Local, Central and Imperial authorities on any matter connected with the trade, commerce and manufactures of its members.

(*h*) To arbitrate in the settlement of disputes arising out of transactions in piece-goods and yarn between parties willing or agreeing to submit to arbitration in accordance with the arbitration rules of the Association.

(*i*) To advance and promote commercial and technical education connected with the trade and commerce of its members.

(*j*) To undertake special inquiries and initiate or support any action for securing the redress of legitimate grievances connected with the trade or commerce of its members.

(*k*) To take any action which may be conducive to the extension of the trade and commerce of its members or incidental to the attainment of this object.

(*l*) To subscribe, to become a member of and co-operate with any other Association whether incorporated or not whose objects are altogether or in part similar to those of this Association and to procure from or communicate to any such Association such information as may be likely to forward the objects of this Association.

(*m*) To establish or aid in the establishment of funds to benefit employees of the Association or the dependents of such persons and to subscribe, donate or guarantee money for charitable or benevolent purposes at the discretion of the Association.

(*n*) And generally to do all that may be necessary in the interests of the realisation of the above objects of the Association directly or indirectly.

Persons eligible for membership.

4. Any individual, firm or Company owning one or more mill or mills or one or more press or presses or one or more ginning or other factory or factories actuated by steam, water, electric and/or other power shall be eligible for membership of the Association.

Definition of the term "member."

5. The expression "Member" in these rules shall ordinarily mean the person, firm or Company, as the case may be, by whom or by which any such mill or mills, press or presses, or factory or factories as last aforesaid is or are actually owned, but shall where the context so requires or permits also mean and include the person or persons for the time being entitled or empowered in accordance with these rules to act and vote on behalf of any member of the Association.

Voting Power of members.

6. At any General Meeting of members of the Association every member shall be entitled to one vote for every complete sum of Rs. 50 paid by him as annual subscription under Rule 35 hereof.

7. Each individual, who, as an individual, shall be a member of the Association, shall, subject as hereinafter mentioned, be entitled either to act and vote on his own behalf or to empower, subject as hereinafter mentioned, any one or more persons, who shall have been duly authorized to sign his name per procuration, to act and vote on his behalf.

8. Every partner in any firm, which shall be a member of the Association, shall, subject as hereinafter mentioned, be entitled to act and vote on behalf of his firm, and the firm may also empower, subject as hereinafter mentioned, any one or more persons, who shall have been duly authorized to sign the name of the firm per procuration, to act and vote on behalf of the firm.

9. Every Director of a Joint Stock Company, which shall be a member of the Association, shall, subject as hereinafter mentioned, be entitled to act and vote on behalf of such Company, and the Agent, Secretary or Manager, as the case may be, of such Company, and every partner in any firm, which shall be Agents, Secretaries or Managers, as the case may be, of such Company, and likewise any one or more persons, who shall have been duly authorized by the Agent, Secretary or Manager, as the case may be, of such Company, or by the firm, which shall be Agents, Secretaries or Managers, as the case may be, of such Company, to sign either the name of such Agent, Secretary or Manager or the name of such firm, per procuration, shall also, subject as hereinafter mentioned, be entitled to act and vote on behalf of such Company.

10. The name of every person entitled or empowered to act and vote on behalf of any member of the Association, whether such person be the member himself or any other person, shall be notified in writing by such member to the Secretary of the Association to be entered by the Secretary of the Association as hereinafter provided in the register hereinafter mentioned, and if more than one person shall be entitled or empowered to act and vote on behalf of any member, such member shall notify in writing to the Secretary of the Association to be entered by the Secretary of the Association as hereinafter provided in the register hereinafter mentioned, the order of precedence in which such persons shall be entitled to act and vote on behalf of such member.

11. When any member shall notify to the Secretary of the Association that any one or more persons, other than the member himself, is entitled or empowered to act and vote on behalf of such member, such member shall, in such notification, state the capacity in which such person or each of such persons is so entitled or empowered to vote, that is to say, either as a member of a firm or as a Director or Agent or Secretary or Manager of a Company or as the holder of a power to sign per procuration or otherwise as the case may be.

12. If the name of any person shall be notified as a person empowered to act and vote on behalf of a member by virtue of being the holder of a power to sign per procuration, the notification shall be accompanied by the document authorizing such person to sign per

procuration, in order that the same may be registered by the Secretary, and the Secretary shall, after registering the document, return it to the person who sent it.

13. The Association shall provide a Register, to be called " Register of members and of persons entitled to act and vote for members " (hereinafter in these rules referred to as " the said Register "), and the names of all members of the Association shall be entered in the said Register together with the name of each person entitled or empowered, in accordance with these rules, to act and vote for such members, so soon as the name of such persons and all particulars regarding him and all formalities shall have been duly notified and observed in accordance with these rules, and when the name of more than one person shall have been notified as entitled to act and vote for any one member of the Association, the names of such persons shall be numbered in the order of precedence in which such persons are entitled to act and vote for such member.

14. No person shall be entitled to act or vote on behalf of any member of the Association unless and until his name shall have been entered in the said Register as a person entitled to act and vote for such member.

15. If two or more persons, who shall be entitled to act and vote on behalf of one and the same member of the Association, shall be present at any meeting of the Association, that one, who takes priority in the order of precedence in the said Register, shall alone be entitled to vote at such meeting.

16. If any one person shall, according to these rules, be entitled to act and vote for more than one member of the Association, such person shall be entitled to act and to exercise the right of voting, according to these rules, for each member, on whose behalf he is entitled to act and vote.

17. Members of the Association shall be elected by ballot in the manner hereinafter mentioned. **Mode of electing members.**

18. Every candidate for election as a member of the Association must be proposed by one member of the Association and seconded by another, and a letter of proposal signed by the proposer and seconder must be sent to the Managing Committee of the Association (hereinafter called " the Committee ").

19. After the receipt by them of a proposal duly made and seconded according to these rules of a candidate for election as member of the Association, the Committee shall fix a day for the commencement of the ballot for the election of such candidate.

20. Not less than seven days before the day so fixed as aforesaid for the commencement of the ballot for the election of any candidate, notice in writing shall be given by the Committee to all members of the Association of the name of the candidate and of his proposer and seconder and of the date so fixed as aforesaid for the commencement of the ballot for the election of such candidate.

21. The Committee shall, before the day appointed for the commencement of the ballot for the election of a candidate for membership of the Association, appoint a scrutineer for such election.

22. The Association shall, for the purposes of all elections by ballot, provide a ballot-box with a lock and key and with an aperture sufficiently large to admit of the deposit therein of voting papers.

23. Before the time appointed under these rules for the commencement of the ballot for the election of any candidate for membership of the Association, the Secretary of the Association shall satisfy himself that the ballot-box is empty and shall lock the same, and the same shall not be opened until after the expiration of the full time appointed for such ballot.

24. The Committee shall provide voting papers for the election of a member of the Association in such form as they shall, from time to time, think fit and shall send one of such voting papers to each member of the Association, not less than seven days before the day fixed according to these rules for the commencement of the ballot for the election of any candidate for membership of the Association.

25. If any person entitled or empowered to vote concerning the election of a candidate for membership of the Association shall desire to exercise his right of voting he shall fill up a voting paper in accordance with the directions contained therein stating whether he votes for or against the election of such candidate and shall sign the paper and shall deposit it or cause it to be deposited in the ballot-box in a sealed cover.

26. Voting papers may be deposited in the ballot-box in accordance with these rules at any time between the hours of 10-30 a.m. and 4 p.m. on the day appointed for the commencement of the ballot or on any one of the six succeeding days, exclusive of Sundays or Gazetted Holidays.

27. The ballot-box shall, at 4 p.m. on the seventh of the days appointed for the election of any candidate for membership, be opened by the Secretary in the presence of the scrutineer, and the votes shall be counted and scrutinized by the scrutineer, and the scrutineer shall report to the Committee in writing under his hand the result of the election according to his counting and scrutiny.

28. No candidate for election as a member shall be deemed to have been elected unless the number of votes recorded is greater than one-fourth of the total number of the votes which would have been recorded if all members had voted. One adverse vote in every six votes recorded shall exclude. The result of every election shall be recorded in the Minutes of the Proceedings of the Committee.

29. If any candidate for election as a member of the Association shall not be elected, his proposer shall be informed of his non-election by the Secretary.

30. Particulars of the voting for the election of any candidate for election as a member of the Association shall be confidential and shall not be disclosed by the scrutineer or by the Secretary to anyone whomsoever.

31. A candidate, who shall have been proposed for election as a member of the Association and shall not have been elected, shall not be again eligible for election as a member of the Association until after the expiration of six months from the date of the election at which he shall not have been elected.

32. If a candidate for election as a member of the Association be elected, his election shall be notified in writing by the Secretary to his proposer and likewise to the candidate himself, and a copy of the last annual report of the Association and also a copy of the Rules of the Association, together with a bill for the entrance fee payable by such member on election and the amount of the annual subscription payable in accordance with these rules shall be sent to him by the Secretary.

Membership subscription.

33. Every member who shall after the date on which these rules shall come into force be elected a member of the Association shall pay on election an entrance fee of Rs. 100.

34. Every member who shall after the date on which these rules shall come into force be elected a member of the Association after the 1st January but before the 1st October in any year shall in addition to the entrance fee pay such proportion of the annual subscription for that year as shall be attributable to the period between the date of election and the 31st December of that year. Every member similarly elected after the 30th September in any year shall pay in addition to the entrance fee one-quarter of the annual subscription for that year.

35. Each member of the Association shall pay the annual subscription to the Association which may from time to time be determined by the Committee. Provided that the resolution of the Committee determining such annual subscription shall be passed by a majority of not less than two-thirds of the members of the Committee present at a special meeting called for the purpose of determining such subscription.

36. Annual subscriptions shall be payable in advance on the 1st January in each year in respect of the period from the 1st January to the 31st December in that year, and a member shall not be entitled to exercise any of the privileges of membership if his subscription is more than two calendar months in arrear.

37. The Committee of the Association shall, in the case of mills which remain entirely closed for one calendar year or more for causes not due to a strike or a lock-out, be empowered to remit the ordinary membership subscription, and to substitute therefor a subscription of Rs. 100 only for each calendar year during which the mills remain entirely closed.

38. A member who shall fail to pay his subscription for a period of three calendar months after it has become payable shall, *ipso facto*, cease to be a member of the Association and his name shall forthwith be removed from the said Register. Provided that the Committee may, for good cause shown for such non-payment of the subscription as to which the decision of the Committee shall be final and binding upon the member in default, and upon payment of the subscription in arrear, revoke the cancellation of membership and order the name of such member to be reinstated in the said Register. Subscriptions in arrear shall be treated as a debt due to and recoverable by the Association.

Form of adherence to be signed by members.

39. Each member shall, on election to the Association, sign a form of adherence to the rules of the Association in the form from time to time approved by the Committee and until such form shall have been signed a member shall not be entitled to exercise any of the privileges of membership.

Mode of resigning from membership.

40. Every member of the Association shall have power to terminate his membership thereof by giving not less than three calendar months' previous notice in writing (expiring at any time) to the Secretary of the Association of his desire to terminate such membership and upon the expiration of any such notice such member shall cease to be a member of the Association and his name shall forthwith be removed from the said Register.

The Committee, its constitution and mode of election.

41. The affairs and funds of the Association shall be managed by a Managing Committee hereinbefore and hereinafter called "the Committee" to be constituted as hereinafter mentioned.

42. The members of the Association shall, in each year between the 1st and the 31st day of January, elect the Committee from amongst the list of persons whose names appear in the said Register as persons entitled to act and vote for members.

43. The Committee shall consist of a Chairman, a Deputy Chairman and not more than eighteen ordinary members, making a maximum of twenty members in all.

44. The Committee, holding office for the time being, shall appoint a day between the 1st and the 31st day of January in each year for the election of the Chairman, the Deputy Chairman and the eighteen ordinary members of the Committee for the ensuing year, and shall cause notice of the day so appointed for such election as aforesaid to be advertised in at least one English and one Vernacular newspaper published in Bombay.

45. The Secretary of the Association shall also give to each member of the Association not less than seven days' notice in writing of the day appointed for the said elections and of the names of all authorized representatives of members who are eligible for election as members of the Committee.

46. The members of the Committee shall be elected by ballot.

47. The Committee shall, before the day appointed for the said election, appoint a scrutineer for each of the said elections.

48. Before the time appointed under these rules for the commencement of the ballot upon the day appointed for the said elections the Secretary of the Association shall satisfy himself that the ballot-box is empty and shall lock the same and the same shall not be opened until 4 p.m. upon that day.

49. The Committee shall provide separate voting papers for

(*a*) the election of a Chairman of the Committee,

(*b*) the election of a Deputy Chairman of the Committee,

(*c*) the election of eighteen ordinary members of the Committee,

in such form as they shall, from time to time, think fit and shall send to each member of the Association not less than seven days before the day fixed for the said elections, one voting paper in respect of the election of the Chairman, one voting paper in respect of the election of the Deputy Chairman and one voting paper in respect of the election of the ordinary members of the Committee.

50. On the day appointed for the said elections voting shall commence at 10-30 a.m. and terminate at 4 p.m.

51. If any person entitled or empowered to vote concerning the election of the members of the Committee shall desire to exercise his right of voting, he shall, in the case of the election of a Chairman, write on a voting paper relative to the election of a Chairman the name of the person representing a member of the Association whom he desires should be appointed such Chairman and shall sign the said voting paper and shall deposit it or cause it to be deposited in the ballot-box in a sealed cover and he shall, in the case of the election of a Deputy Chairman, write on a voting paper relative to the election of a Deputy Chairman the name of the person representing a member of the Association whom he desires should be appointed such Deputy Chairman and shall sign the said voting paper and shall deposit it or cause it to be deposited in the ballot-box in a sealed cover and he shall, in the case of the election of the eighteen ordinary members of the Committee, write on a voting paper relative to the election of the ordinary members of the Committee, the names of the eighteen persons representing members of the Association whom he desires should be appointed as ordinary members of the Committee as aforesaid and shall sign the said voting paper and shall deposit it or cause it to be deposited in the ballot-box in a sealed cover.

52. Voting papers regarding the elections of a Chairman, Deputy Chairman and the ordinary members of the Committee may be deposited in the ballot-box in accordance with these rules between the hours of 10-30 a.m. and 4 p.m. on the day which shall have been appointed under these rules for such elections.

53. At 4 p.m. on the day appointed for the said elections the ballot-box shall be opened by the Secretary of the Association in the presence of the scrutineer and the votes shall be counted and scrutinized by the scrutineer, who shall report to the Committee in writing under his hand the result of the election according to his counting and scrutiny.

54. Particulars of the voting for the election of the members of the Committee shall be confidential and shall not be disclosed by the scrutineer or by the Secretary to anyone whomsoever.

55. Those persons in whose favour the largest number of votes shall have been cast for the respective appointments of Chairman, Deputy Chairman and ordinary members of the Committee shall be deemed to have been appointed Chairman, Deputy Chairman and ordinary members of the Committee respectively.

56. Two representatives of any one member entitled under Rule 6 to ten votes or less shall not be on the Committee at the same time, and if two representatives of any one such member shall be elected to serve on the Committee at the same time, the election of that representative who obtains the lesser number of votes shall be void. In case of an equality of votes, the Chairman of the retiring Committee shall have a casting vote.

57. No member of the Association shall vote for more than one Chairman, one Deputy Chairman and eighteen ordinary members of the Committee.

58. If any person who shall have been elected according to these rules either as Chairman of the Committee or as Deputy Chairman of the Committee shall decline to accept the appointment there shall be a fresh election by the members of the Association for the appointment of a Chairman or Deputy Chairman as the case may be.

59. If any person who shall have been elected in accordance with these rules as an ordinary member of the Committee shall decline to accept the appointment the person who shall have received the next largest number of votes shall be considered to have been elected, and if there shall be no such person then the vacancy shall be filled by the retiring Committee.

60. If in any ballot for a Chairman or Deputy Chairman of the Committee there shall be an equality of votes for the appointment, there shall be a fresh election by the members of the Association for the appointment of a Chairman or Deputy Chairman as the case may be. If in any ballot for the election of the eighteen ordinary members of the Committee there shall be an equality of votes for the eighteenth appointment, the Chairman of the retiring Committee shall have a casting vote.

61. The new Committee shall take office upon the conclusion of the first Annual General Meeting of the members of the Association held after their election, and shall continue to hold office until the conclusion of the next Annual General Meeting of the members of the Association, when they shall retire but shall be eligible for re-election.

62. If any member of the Committee shall be absent from the regular meetings of the Committee for more than three consecutive months he shall, unless he shall have previously obtained leave of absence from the Committee, be deemed to have vacated his office.

63. When any vacancy other than a vacancy in the office of Chairman or Deputy Chairman shall occur in the Committee, the members of the Committee shall have power to appoint any duly qualified person to fill such vacancy who shall hold office until the conclusion of the next Annual General Meeting of the members of the Association when he shall retire but shall be eligible for re-election. Similarly if any member of the Committee shall have previously obtained leave of absence from the General Meetings of the Committee, the members of the Committee shall have power to appoint any duly qualified person to act as a member of the Committee during the absence of such member.

64. If any vacancy other than a temporary vacancy shall occur in the office of Chairman or Deputy Chairman of the Committee, such vacancy shall be filled by the election according to these rules by the members of the Association of any duly qualified person. A temporary vacancy may be filled by the members of the Committee from their own number.

The procedure to be adopted by the Committee in conducting business.

65. The Chairman of the Committee shall, if present, preside at all meetings of the Committee held during his term of office. In the absence of the Chairman, the Deputy Chairman shall preside, and failing both, the chair shall be taken by one of the members of the Committee who shall be appointed by the other members of the Committee present at such meeting.

66. In case of a tie in voting in Committee the Chairman for the time being shall have a casting vote in addition to his own vote.

67. Five members of the Committee shall constitute a quorum.

68. The Committee shall meet at least once in every month.

Powers of the Committee.

69. The Committee shall have power to require from any member an explanation as to any act done or conduct pursued by such member which in the opinion of the Committee shall be in contravention of the rules of the Association or to the detriment or discredit of the Association or shall be injurious to the welfare and interests of the Association. If any such explanation shall be refused or having been given shall be deemed unsatisfactory, the Committee shall cause a Special General Meeting of the Association to be convened to consider the acts and conduct of such member, and the Association shall have power if a quorum be present at such Special General Meeting to resolve by a majority of not less than two-thirds of the votes cast at the meeting to declare that such member is expelled from the Association.

70. Whenever a resolution shall have been passed as in the last preceding rule mentioned such resolution shall be final and conclusive and the member thereby declared to be expelled shall thenceforth cease to be a member of the Association and shall not be entitled to claim any refund on account of subscription which may have already been paid.

71. Previous to each Annual General Meeting of the members of the Association, the Committee shall prepare a report of the proceedings of the Association during the year prior to such General Meeting and shall cause the same to be printed and shall send at least one printed copy thereof to each member of the Association not less than seven days prior to the date fixed for the said Annual General Meeting. The Committee may also, if they see fit to do so, send any one or more copies of the said report to any individual or Corporation or Association to whom or to which they may think it desirable in the interests of the Association to send the same.

72. The Committee shall have authority to appoint Solicitors to the Association and the Committee may consult them whenever they deem it expedient to do so.

73. The Committee shall have authority at any time and from time to time, if for any reason they shall consider it advisable to do so, to attach to the office of the Chairman of the Committee a remuneration or honorarium of such amount, and to operate from such date and for such period as the Committee may determine, and such remuneration or honorarium shall be met from the revenues of the Association.

74. At the first meeting of the Committee held after the holding of the Annual General Meeting of the members of the Association in each year, the Committee shall appoint three or more of their number to form a Sub-Committee for the purpose of deciding questions other than arbitrations, arising under the rules of the Association relating to the registration of trade marks, and the decision of such Sub-Committee on such questions shall have the same effect as if given by the entire Committee. Any vacancy which may from time to time occur in any such Sub-Committee shall be filled by the Committee by the appointment thereto of another member of the Committee.

75. The Committee may from time to time appoint a Sub-Committee to investigate and to report upon any matter whatsoever and may invite any member of the Association not being a member of the Committee to serve on any such Sub-Committee, or may consult any outside authority if for any special reason such a course may seem to them advisable.

76. Sub-Committees other than a Sub-Committee appointed under Rule 74 shall have no executive or substantive power or authority, and the duty of every Sub-Committee shall be to report to the Committee the result of its investigations, deliberations or other proceedings.

Duties of Secretary & Assistant Secretary.

77. A Secretary of the Association shall be appointed and his remuneration shall be fixed by the Committee. The Secretary shall devote himself entirely to the business and affairs of the Association except in cases where he has received the special permission of the Committee. He shall have charge of all correspondence and shall keep an account of the funds of the Association and of funds connected with or in any way controlled by the

Association. He shall have the care of the rooms, furniture, library, pictures and of all documents belonging to the Association. He shall give notice as desired by the Chairman or Deputy Chairman of all meetings of the Association, of the Committee, of the Departmental Committees and Sub-Committees of the Association and of all Associations working in connection with the Association. He shall duly notify members of their election, collect all dues from members of the Association or from any Committee or any Association working in connection with the Association. He shall prepare the Annual Report of the Association and the reports of all Committees and of all Associations connected with the Association under the guidance of the Chairman and the Committee and generally shall perform all such duties as are incidental to his office and generally act under the orders of the Chairman or in his absence of the Deputy Chairman and the Committee. In all matters appertaining to the detailed duties of his office as above enumerated he shall follow the policy and instructions laid down by the Chairman or in the absence of the Chairman by the Deputy Chairman.

78. An Assistant Secretary of the Association may be appointed, and if so appointed, his remuneration shall be fixed by the Committee. The Assistant Secretary shall during any temporary absence of the Secretary owing to sickness or any other cause or during the absence of the Secretary on leave perform all or any of the duties of the Secretary as may be assigned to him.

79. Minutes of all proceedings of the Committee shall be made and shall be entered or caused to be entered regularly by the Secretary in a Minute Book to be kept by him. This book shall be open to the inspection of any member of the Association at any reasonable time. Minutes Book of the Committee.

80. A general meeting of the members of the Association to be called the Annual General Meeting shall be held in each year at such time as the Committee may appoint. General Meetings of members;

81. The Committee may also at any time call a General Meeting should it seem to them expedient to do so.

82. If any four members of the Association shall by a requisition in writing signed by the said four members respectively addressed to the Committee and containing a statement of their reasons for the requisition request the Committee to call a General Meeting of the members of the Association the Committee shall call such General Meeting to be held within fourteen days after the receipt by the Committee of the said requisition, and if the Committee shall refuse or neglect to call such General Meeting to be held within the time aforesaid, the said four members who shall have signed the said requisition, shall have power themselves to call such General Meeting to be held on such day as they themselves shall appoint.

83. Seven clear days' notice of every Annual General Meeting shall be given by advertisement in at least one English and one vernacular newspaper published in Bombay and seven clear days' notice shall also be given to members of every Special General Meeting, except Urgent General Meetings specially convened by the Chairman or the Committee.

84. No business shall be transacted at any General Meeting unless a quorum according to these rules shall be present at such meeting.

85. At any General Meeting a quorum shall be constituted if the number of votes of the members represented at the meeting shall exceed 25 per cent. of the total number of votes of all the members for the time being of the Association.

86. If on the day originally appointed for holding a General Meeting a quorum according to these rules shall not, within thirty minutes of the time appointed for the commencement of the meeting, be present, the meeting shall be adjourned to such time on such day not being less than 10 days thereafter as the Committee may determine and if a quorum shall not, within fifteen minutes after the time appointed for the commencement of such adjourned meeting, be present, the members then present shall constitute a quorum and may transact the business for which the meeting was convened.

87. Whenever any meeting shall be adjourned under Rule 86 on the ground that a quorum was not present within the prescribed time, seven clear days' notice shall be given by the Committee by advertisement in at least one English and one Vernacular newspaper published in Bombay of the day and time to which such meeting shall have been adjourned.

88. The Chairman of the Committee shall, if present, preside at all General Meetings of the members of the Association held during his term of office. In the absence of the Chairman, the Deputy Chairman shall preside, and, failing both of these, the chair shall be taken by one of the members of the Committee, who shall be appointed by the other members of the Committee, present at such meeting.

89. The voting at any General Meeting shall be in the first instance, by show of hands, but this shall not preclude any member present from demanding a poll. If a poll is demanded the number of votes to which each member shall be entitled shall be calculated in accordance with Rule 6. The result of a poll shall supersede a vote taken by show of hands. In the case of a tie in voting at any General Meeting the Chairman for the time being of the meeting shall have a casting vote.

90. Minutes of all proceedings at every General Meeting of the members of the Association shall be made and shall be entered or caused to be entered regularly by the Secretary in a Minute Book to be kept by him. This book shall be open to the inspection of any member of the Association at any reasonable time.

91. Every resolution which shall have been duly passed according to these rules at any General Meeting of the members of the Association shall be binding upon all the members of the Association.

Special General Meeting for concerted general action.

92. All proposals or recommendations for concerted general action respecting the mills which the Committee of the Association may consider to be concerned in respect to a strike, lockout, short-time working or organized lessening of production, payment of bonus, increases or reductions in wages, or any other matter whatsoever, shall only be adopted if passed by a majority of not less than 85 per cent. of the votes cast at a Special General Meeting duly called for the purpose of considering such proposals or recommendations.

Expulsion of members for contravening resolutions adopted at the General Meeting.

93. Any member of the Association who shall contravene the terms of any proposa which has been approved and adopted by the members of the Association under Rule 92 hereof shall be liable to be summarily expelled from the Association by a resolution of the Committee declaring that such member is expelled; provided that such resolution shall be passed by a majority of not less than three-fourths of the members of the Committee presen at a Special Meeting called for the purpose of considering such contravention.

94. Whenever a resolution shall have been passed as in the last preceding rule mentioned such resolution shall be final and conclusive and the member thereby declared to be expelled shall thenceforth cease to be a member of the Association, and shall not be entitled to claim from the Association any refund on account of subscription which may have already been paid.

95. A firm or Joint Stock Company or other Corporation which shall be expelled under the last preceding rule shall be eligible for re-election after the expiry of six months from the date of expulsion provided not less than three members in addition to the proposer and seconder concur in the proposal for re-election.

Funds and properties of the Association.

96. The control of the funds of the Association shall be vested in the Committee, who in addition to the powers expressly conferred on them by these rules may exercise all such powers, and do all such acts and things as may be exercised or done by the Association and are not hereby or by law expressly directed or required to be exercised or done by the Association in General Meeting, and in particular may from time to time at their discretion raise or borrow or secure the repayment of any sum or sums of money in all respects as they think fit.

97. If at any time during the year the funds at the disposal of the Committee are insufficient or are likely to be insufficient to defray the estimated expenditure for the remaining portion of the year, then the Committee shall, in such case, call a General Meeting of the members of the Association and lay the accounts of the Association before such meeting.

98. The Committee shall cause proper books of account to be kept of the transactions of the Association and of the assets, credits and liabilities thereof, which books of account shall be kept at the office of the Association or at such place or places, and in the charge of such person or persons as the Committee may from time to time direct.

99. At least seven days previous to each Annual General Meeting of members of the Association the Committee shall send to each member of the Association a duly audited income and expenditure account, and a balance sheet, containing a summary of the property and liabilities of the Association and made up to the 31st December of the year immediately preceding the meeting, and such account and balance sheet shall be laid before the members at the Annual General Meeting of the Association in each year.

100. The Committee for the time being shall have power to invest and deal with any of the moneys of the Association not immediately required for the purposes thereof in such securities and in such manner as they may think fit and from time to time to vary or realize such investments.

101. The Committee shall have the power to determine the manner in which bills, loans, receipts, acceptances, endorsements, cheques, releases, contracts and documents shall be signed or executed by and on behalf of the Association.

102. There shall be two Trustees of the Association and the first Trustees shall be Mr. H. P. Mody and Mr. Ratansi D. Morarji. Subsequent Trustees shall be appointed by resolution of the Committee. Any person for the time being entitled to act and vote for a member shall be eligible as a Trustee. Any Trustee who shall cease to be entitled to act and vote for a member shall *ipso facto* cease to be a Trustee. Any Trustee may be removed by a majority of three-fourths of the members of the Association present at a meeting duly convened for the purpose of considering such removal.

103. All the funds and properties of the Association shall be vested in the Trustees who shall have the custody of all securities and documents of title relating thereto and shall deal with and dispose of the same and the income thereof in accordance with the written directions from time to time given to them by the Committee for the time being.

Responsibility of the Chairman, Deputy Chairman, Secretary & members of the Committee.

104. Neither the Chairman, Deputy Chairman, nor any ordinary member of the Committee nor the Secretary nor any Trustee shall be answerable for anything other than his own acts or defaults, nor shall he be answerable for any act done by him for the sake of conformity only, nor for any moneys of the Association other than such as shall come into his own hands, nor for any collector or receiver of moneys appointed by the Committee, nor for any misfortune, loss or damage happening to the Association by reason of any deed done or executed by him as a Chairman, Deputy Chairman or ordinary member of the Committee or as Secretary or Trustee, nor by reason of any error in judgment or mere indiscretion on his part in the performance of his duties, nor otherwise on any account, except for wilful negligence or fraud. Every person being Chairman, Deputy Chairman, or an ordinary member of the Committee or Secretary or Trustee of the Association, his heirs, executors or administrators shall at all times be indemnified and saved harmless out of the funds of the Association from and against all costs, losses, damages and expenses whatsoever incurred or sustained by him in the execution of his power or duties, and every person having been or being a Chairman, Deputy Chairman, or ordinary member of Committee or Secretary or Trustee of the Association, his heirs, executors and administrators shall be indemnified and saved harmless out of the funds of the Association against all actions, suits, claims and demands whatsoever brought or made against him or them in respect of any engagement of the Association save such as may be incurred by his own personal wilful neglect or default.

The date when the rules come into force & the mode of altering the rules.

105. These rules shall come into force on the First day of March 1925 on which date the present rules shall stand cancelled. No alterations in these rules shall be made save and except by a majority of not less than three-fourths of the votes cast at a General Meeting of the members of the Association duly convened and held for the purpose of considering such alteration, the terms of which shall have been fully set forth in the notice convening the meeting.

RULES FOR THE REGISTRATION OF TRADE MARKS.

Revised and adopted down to the Annual General Meeting of the Association held on 3rd March 1927.

Interpretation.

1. Throughout all these rules the following words shall bear and include the following meanings :—

(*a*) ' The Association ' means the Bombay Millowners' Association.

(*b*) ' Member ' means a member of the Bombay Millowners' Association.

(*c*) ' The Secretary ' means the Secretary of the Bombay Millowners' Association.

(*d*) ' The Managing Committee ' means the Managing Committee of the Bombay Millowners' Association.

(*e*) ' Trade mark ' includes ' ticket ' and ' stamp.'

(*f*) ' Colourable imitation ' includes a trade mark, which is likely to become known by or to acquire the same name as that by which another trade mark is already known or which such other trade mark has already acquired.

Essentials of a registrable trade mark.

2. For the purposes of these rules a registrable trade mark must consist of a distinctive mark, device or design not being a name, signature or word or words (invented or otherwise) either alone or in combination with one or more of the following :—

(*a*) The name of a Company, individual or firm represented in a special or particular manner.

(*b*) An invented word or invented words.

(*c*) A word or words having no direct reference to the character or quality of the goods and not being according to its ordinary signification a geographical name or surname.

Provided—

(1) that any trade mark registered in the Permanent Register of the Association prior to the 31st March 1924 shall be registrable as a trade mark under this rule ;

(2) that no trade mark shall be accepted for registration which contains or consists of any scandalous design, or any matter the use of which would by reason of its being calculated to deceive or otherwise be disentitled to protection in a Court of Justice, or would be contrary to law or morality ;

(3) that no trade mark shall be accepted for registration which contains or consists of a representation of the Royal Arms (or Arms so closely resembling the Royal Arms as to be calculated to deceive), or of a photograph or photographs of any member or members of the Royal Family.

Classification of goods.

3. All goods to which these rules apply shall be divided into the following classes :—

Class 1.—Cotton yarns and threads being either grey or bleached.

Class 2.—Cotton yarns and threads being coloured either in whole or in part.

Class 3.—Cotton piecegoods of all kinds.

Registers.

4. The Association shall keep two registers, one of which shall be called 'The Permanent Register' and the other 'The Suspense Register.'

Duty of members to register trade marks and mode of applying to register same.

5. Every member shall send to the Secretary an application in writing addressed to the Secretary and signed by the member or by some person duly authorized to sign the same on behalf of the member, to register with the Association every trade mark, not already registered by such member with the Association, which is or is to be the property of such member and which such member desires to apply to any produce of the mill or mills, factory or factories, owned by such member.

6. Every such application shall specify the name by which the trade mark to which the application relates is intended to be known and the class or classes of goods to which the trade mark is intended to be applied and shall be accompanied by one copy of the trade mark for the use of the Association and also by such further number of copies thereof as the Managing Committee may from time to time prescribe in that behalf, regard being had to the total number of members.

7. Every member shall send to the Secretary such number of copies of every trade mark which is the property of a dealer dealing with such member, and which such member intends to apply to any produce of the mill or mills, factory or factories, owned by such member as the Managing Committee may from time to time prescribe in that behalf, regard being had to the total number of members, accompanied by a statement in writing specifying the name by which any such trade mark is intended to be known, and the class or classes of goods to which the trade mark is intended to be applied. The Secretary shall so soon as may be after the receipt thereof send to every member a copy of such trade mark together with a copy of such statement.

Secretary to enter every trade mark which a member shall apply to register in the Suspense Register.

8. The Secretary shall forthwith on receipt of an application for registration of a trade mark with the Association made in conformity with these rules enter the said trade mark in the 'Suspense Register' for use on goods of the class or classes specified in the application.

Notice of every application to register a trade mark to be sent to every member.

9. The Secretary shall so soon as may be after any application shall have been made for the registration of any trade mark with the Association, send to every member a copy of such application with an intimation of the date when it was made and that such trade mark has been entered in the Suspense Register and shall also send with such intimation one copy of such trade mark, and also if the application shall have been accompanied by a notification in conformity with Rule 21 that the member, who shall have made the application, is not willing to refer to arbitration any matter relating to the application, one copy of such notification and shall after the expiration of three weeks from the date of the despatch of such intimation send a reminder to each member who shall not in the interval have acknowledged the receipt of such intimation or otherwise intimated that such intimation has been received by such member.

Effect of entry of trade mark in Suspense Register.

10. The entry of a trade mark in the Suspense Register shall not confer upon the member upon whose application the same shall have been so entered any right against any other member in respect of the trade mark so entered save and except a right to apply for the removal of any other trade mark from the Suspense Register as in Rule 11 hereinafter set forth.

Applications for removal of trade mark from the Suspense Register.

11. Any member may apply that any trade mark which has been entered in the Suspense Register may be removed therefrom on the ground that it is an imitation colourable or otherwise of another trade mark which at the time of the entry of the trade mark objected to was then already in the Suspense Register and had been entered therein on application of the member applying for such removal and was intended to be applied to the same class or classes of goods as the class or classes to which the trade mark objected to is intended to be applied.

12. Every application for removal of a trade mark from the Suspense Register shall be made in writing addressed to the Secretary and signed by the applicant or by some person duly authorized to sign on behalf of the applicant and shall set forth the ground on which the same is made.

13. Every application for removal of a trade mark from the Suspense Register shall be determined, in the manner hereinafter prescribed; and if, when the same shall have been so determined, the application shall be upheld, the trade mark for the removal of which the application shall have been made, shall forthwith be removed from the Suspense Register.

Objections to entry of a trade mark in the Permanent Register.

14. Any member may object to any trade mark being entered in the Permanent Register on the ground that such trade mark is an imitation colourable or otherwise of a trade mark which has already, on the application of such objecting member, been entered in the Permanent Register for use on goods of a class or classes similar to the class or classes of goods to which the trade mark, in respect of which an application has been made, is intended to be applied, and that such trade mark, so already entered, is habitually applied by such objecting member to such class or classes of goods.

15. Every such objection shall be made within one month after the application to register the trade mark objected to shall have been made and shall be in writing addressed to the Secretary and signed by the objecting member or by some person duly authorized to sign on behalf of the objecting member and shall set forth the grounds of objection.

16. Any member may within three calendar months from the date of his becoming a member for the first time apply that any trade mark which shall have been registered in the Permanent Register, at any time before the expiration of the said period of three months, shall be removed therefrom on the ground—

That the trade mark so already registered in the Permanent Register is an imitation colourable or otherwise of a trade mark for the registration of which such member has applied for use on goods of a class or classes similar to the class or classes of goods to which the trade mark so already registered in the Permanent Register is applied, and that such trade mark for the registration of which such newly joined member has so applied as aforesaid has been habitually applied by such newly joined member to the said class or classes of goods.

17. When any member being the owner of a mill shall have ceased to be a member for any reason, other than expulsion, and shall subsequently again become a member by virtue of the ownership of the same mill, or, when any mill, being the property of a member, shall have passed to a new owner and such new owner shall become a member by virtue of the ownership of the said mill, such member, who shall have again become a member, may at any time, within one month from the date of his having so again become a member or such new owner, who shall have become a member, may at any time within one month from the date of his becoming a member apply—

(*a*) That a trade mark which shall have been entered in the Permanent Register subsequent to the date on which such member shall have ceased as aforesaid to be a member but prior to the date of the application under this rule or subsequent to the date when such mill as aforesaid passed to such new owner as aforesaid but prior to the date of the application under this rule, as the case may be, shall be removed from the Permanent Register;

or

(*b*) That if any trade mark shall have been or shall be entered in the Permanent Register in compliance with an application for the registration of the same which has been made subsequent to the date on which such member shall have ceased as aforesaid to be a member but prior to the date of the application under this rule, or subsequent to the date when such mill as aforesaid passed to such new owner as aforesaid but prior to the date of the application under this rule, as the case may be, the said trade mark shall be removed from the Permanent Register, on the ground either in the case (*a*) or in the case (*b*)—

That the said trade mark is an imitation colourable or otherwise of a trade mark previously registered with the Association by the member who shall have so ceased to be a member as aforesaid or by the member who was for the time being the owner of the mill which has so passed to a new owner as aforesaid for use on goods of a class or classes similar to the class or classes of goods for use on which the trade mark so objected to shall have been registered and that a fresh application for the registration of the mark so previously registered as aforesaid has been made by the applicant.

18. Every application for removal of a trade mark from the Permanent Register shall be made in writing addressed to the Secretary and signed by the applicant or by some person duly authorized to sign on behalf of the applicant and shall set forth the grounds on which the same is made.

19. Every application under Rules 16 and 17 for removal of a trade mark from the Permanent Register shall be accompanied by twelve or such other number of copies as the Managing Committee may from time to time prescribe of the trade mark said by the applicant to have been previously registered with the Association.

20. If any member, being the owner of a trade mark which shall have been registered in the Permanent Register shall so alter the trade mark as in the opinion of a majority of the Trade Marks Sub-Committee to render it likely to deceive, or materially different, either in name or design, from the registered trade mark, and shall use the mark so altered on goods of a class or classes similar to the class or classes of goods for use on which registration of the original mark was obtained, the member concerned may be required to apply in the manner prescribed for registration of the altered trade mark as a new trade mark and in default of compliance with any such requisition within one month after receipt thereof by the member concerned, the altered trade mark shall be deemed an unregistered trade mark.

Liberty to refuse to refer to arbitration in certain cases.

21. Notwithstanding anything contained in these rules or in the Form of Adherence prescribed under Rule 36 of the Rules and Regulations of the Association any member who shall have become a member for the first time may send a notification in writing addressed to the Secretary with any application, made by such member, to register a trade mark, which shall be sent to the Secretary within one month from the date when such member shall have become a member notifying that he is not willing to refer to arbitration any matter relating to the application with which the notification is sent ; and whenever any such notification is sent as aforesaid no member shall in the matter to which the notification relates be bound by the rules relating to arbitration.

22. In like manner, notwithstanding anything contained in these rules or in the Form of Adherence in Rule 36 mentioned, if any member who shall have received notice of any application to register a trade mark, which shall have been sent to the Secretary, by a member who shall have become a member for the first time, within one month from the date when such member shall have become a member shall object, in the manner prescribed by these rules, to the said trade mark being entered in the Permanent Register on the ground specified in Rule 14, such objecting member may send with such objection, a notification in writing addressed to the Secretary notifying that he is not willing to refer to arbitration any matter relating to such objection to the application of which he shall have so received notice as aforesaid and specifying such application and objection ; and whenever any such notification is sent no member shall in the matter to which such notification relates be bound by the rules relating to arbitration.

Provided always that if a member who shall have become a member for the first time shall prove to the satisfaction of the Managing Committee that for a period of not less than five consecutive years immediately preceding the date when such member shall have become a member he has habitually applied the said trade mark to goods of a class or classes similar to the class or classes of goods to which such objecting member shall have habitually applied the trade mark of which the said trade mark is alleged by such objecting member to be an imitation colourable or otherwise then such objecting member shall be deemed to have

sent to the Secretary such a notification in writing as above mentioned, and the provisions of Rules 37 to 43 (inclusive) so far as the same are applicable shall forthwith operate and have effect.

Determination of questions relating to any application to register a trade mark or to any application to remove a trade mark from the Suspense Register or from the Permanent Register, as to which notice of refusal to refer to arbitration has not been given.

23. All questions in dispute between two members arising out of or incidental to any

(*a*) application to register a trade mark,

(*b*) application to remove a trade mark from the Suspense Register,

(*c*) application to remove a trade mark from the Permanent Register,

shall, if no such notice, as is permitted by these rules, of unwillingness to refer to arbitration shall have been given in connection with the same, be determined by arbitration in the manner prescribed by the following rules :—

24. Either member may give the other member notice of the appointment of an arbitrator on behalf of the member giving such notice and may call upon such other member to appoint and to notify to the member who shall give the notice of the appointment of an arbitrator within seven days from the date of the giving of the notice; and on receipt of such notice such other member must, if he should desire to appoint an arbitrator, appoint him within seven days from the receipt of such notice and notify such appointment within the same time to the member from whom he shall have received the notice to appoint an arbitrator.

25. If the member to whom such notice as in Rule 24 mentioned shall have been given fail to appoint and to notify to the member who shall have given the notice of the appointment of an arbitrator within seven days from the service of the notice upon him the matter in dispute shall stand referred to the arbitrator already appointed as sole arbitrator.

26. If a matter in dispute shall stand referred to an arbitrator as sole arbitrator he shall make his award within fourteen days from the date when the matter in dispute shall first stand referred to him.

27. If two arbitrators shall be duly appointed in accordance with these rules, they shall within 3 days from the date when such one of them as was last appointed shall have been appointed and before proceeding with the reference appoint an umpire.

28. If two arbitrators and an umpire shall have been duly appointed, the two arbitrators shall, if they can agree upon their award, make their award within fourteen days after the appointment of the umpire.

29. If two arbitrators and an umpire shall have been duly appointed but the two arbitrators shall either fail to agree upon their award or fail to make it within fourteen days from the appointment of the umpire, the matter in dispute shall stand referred to the umpire.

30. When a matter in dispute shall stand referred to an umpire he shall make his award within fourteen days from the date when the matter in dispute shall stand referred to him.

31. If

(*a*) a matter in dispute shall stand referred to a sole arbitrator but such arbitrator shall fail, from any cause whatever, to make his award within fourteen days from the date when the matter in dispute shall first stand referred to him ;
or

(*b*) two arbitrators shall have been duly appointed but shall fail, from any cause whatever, to appoint an umpire within three days from the date of the appointment of such one of the arbitrators as shall have been last appointed ;
or

(*c*) a matter in dispute shall stand referred to an umpire but such umpire shall fail, from any cause whatever, to make his award within fourteen days from the date when the matter in dispute shall first stand referred to him;

the matter in dispute shall in any of such cases stand referred to a referee who shall be appointed by the Managing Committee.

32. When a matter in dispute shall stand referred to a referee he shall make his award within fourteen days from the date when the matter in dispute shall first stand referred to him and it shall be deemed to stand referred to him so soon as he shall have been informed of his appointment by the Managing Committee.

33. The sole arbitrator, two arbitrators, umpire or referee, as the case may be, shall, when he or they make an award, reduce it into writing, sign it and forward it to the Managing Committee who shall file it in a separate file, in which such awards shall alone be filed.

Fees on arbitrations.

34. Every award, whether made by a sole arbitrator, two arbitrators, an umpire or a referee, which shall be duly made under the authority of and in conformity with these rules, shall be conclusive and binding upon the parties to the arbitration in which the award was made and the Association shall give effect to it.

(*a*) No person shall be appointed an arbitrator, umpire or referee, under the foregoing rules, who shall not be either a member of the Association or a person entitled to act and vote on behalf of a member of the Association, and any appointment made in contravention of this rule shall be null and void.

35. The following fees on arbitrations shall be chargeable by the Association to members:—

(*a*) In cases where there is a sole arbitrator, Rs. 15, which shall be paid by the member who has failed to appoint an arbitrator within the time prescribed by these rules.

(*b*) In cases where each party has appointed one arbitrator, the sum of Rs. 30, whereof each member, a party to the arbitration, shall pay Rs. 15.

(*c*) In cases where an umpire is appointed, Rs. 15, whereof each member, a party to the arbitration, shall pay Rs. 7-8-0.

(*d*) In cases where a referee is appointed, Rs. 15, whereof each member, a party to the arbitration, shall pay Rs. 7-8-0.

The sole arbitrator, two arbitrators, umpire or referee, as the case may be, shall have power to direct by any award made by him or them under these rules that any fee paid by any member, a party to the arbitration in which such award shall have been made, shall be refunded to him by the other member, a party to the said arbitration.

36. The Association shall, whether the fees payable under these rules in connection with any arbitration shall have been duly paid to it or not, pay to each arbitrator, umpire and referee who shall have acted in such arbitration a fee of Rs. 15.

Procedure when any application made to register a trade mark, or any objection made to register a trade mark as to which notice of refusal to refer to arbitration has been given.

37. If, in any case permitted by these rules, any member shall, in the manner prescribed by these rules, make

(*a*) any application to register a trade mark,

or

(*b*) any objection to a trade mark being entered in the Permanent Register,

accompanied by a notification that the member is not willing to refer to arbitration any matter relating to the application or objection, as the case may be, with which the notifica-

tion is sent, no steps shall be taken by the Association in the matter of the application or objection specified in such notification for a period of two months from the receipt by the Secretary of such notification.

38. Any member, who shall have made any such application or objection as in Rule 37 mentioned, accompanied by such a notification as in the said Rule 37 mentioned, may, at any time during the said period of two months in the said Rule 37 mentioned, institute legal proceedings either to establish the right of such member to the trade mark to which such application or objection relates or to restrain any other member from using such trade mark or to procure the punishment of such member for using the same and such proceedings may be taken either in a Civil or a Criminal Court.

39. If, in any case permitted by these rules, any member shall, in the manner prescribed by these rules, have made any such application as in Rule 37 mentioned, accompanied by such a notification as in the said Rule 37 mentioned, and at the expiration of the said period of two months in the said Rule 37 mentioned, no such legal proceedings as in Rule 38 mentioned shall have been instituted in connection with the trade mark to which the application relates, the said application shall be rejected and the said trade mark be removed from the Suspense Register and shall not be entered in the Permanent Register.

40. If, in any case permitted by these rules, any member shall, in the manner prescribed by these rules, have made any such objection as in Rule 37 mentioned, accompanied by such a notification as in the said Rule 37 mentioned, and at the expiration of the said period of two months in the said Rule 37 mentioned, no such legal proceedings as in Rule 38 mentioned shall have been instituted in connection with the trade mark to which the objection relates, the said objection shall be rejected, and the application to register the trade mark, to which such objection relates, shall be dealt with under these rules, as if no such notification had been given.

41. If, within the said period of two months in Rule 37 mentioned, such legal proceedings as in Rule 38 mentioned shall have been instituted, no steps shall be taken in the matter of the application or objection concerning the trade mark to which such legal proceedings relate until such legal proceedings shall have been finally determined.

42. When such legal proceedings as in Rule 38 mentioned shall have been finally determined, if it shall have been held by the Court—

(*a*) That a trade mark, to register which an application shall have been made, or in respect of which an objection to the same being entered in the Permanent Register shall have been made, is an imitation colourable or otherwise of another trade mark, the trade mark so held to be an imitation colourable or otherwise shall not be registered ;

or, if it shall have been held by the Court—

(*b*) That a trade mark, to register which an application shall have been made, or in respect of which an objection to the same being entered in the Permanent Register shall have been made, is not an imitation colourable or otherwise of another trade mark, the same shall, if it be in the opinion of the Managing Committee a proper mark to be registered as a trade mark, be entered therein.

43. The production to the Managing Committee of a certified copy of a decree passed by a Civil Court of competent jurisdiction in British India from which no appeal lies or in respect of which the time for appealing has expired or the production of a certified copy of a judgment of a Criminal Court from which no appeal lies, or in respect of which the time for appealing has expired, shall be conclusive evidence of everything therein appearing to have been held, decided or found, and the Managing Committee shall act in accordance therewith.

All trade marks registered with the Association on or before the First day of April 1912 to be entered in the Permanent Register.

44. All trade marks which shall have been registered with the Association on or before the First day of April 1912 either under the Rules for Primary Registration or under the Rules for Secondary Registration, which were in force prior and down to the said First day of April 1912, shall be entered in the Permanent Register and shall be deemed respectively to have been entered therein as of the respective dates on which the same were originally registered with the Association.

Effect of entry of trade mark in Permanent Register.

45. Registration of a trade mark in the Permanent Register under these rules for use on goods of the class or classes specified in the entry in such register shall, *prima facie*, be held to secure to the said member an exclusive right as against all other members to the use of the said trade mark on goods of the class or classes so specified.

46. These rules shall come into force on the First day of April 1924 on which date they shall supersede all other rules relating to the Registration of Trade Marks.

RULES FOR ARBITRATIONS ON PIECEGOODS.

WHEREAS it has been represented to the Bombay Millowners' Association, hereinafter called the Association, that it is desirable that disputes and differences between members and merchants should be more speedily and economically settled, and whereas it is considered desirable that judgments should be framed by competent practical authorities on Indian piecegoods, the following Arbitration Rules have been framed as a means to these ends:—

Panel of Arbitrators

Rule 1.—There shall be appointed triennially by the Committee of the Association a panel of Arbitrators consisting of thirty members. Fifteen Arbitrators shall be selected from amongst the representatives of members of the Association, and the remaining fifteen Arbitrators shall be selected by the Committee of the Association from amongst the dealers in Indian-made piecegoods.

Panel of Umpires.

Rule 2.—From amongst the panel of Arbitrators elected in accordance with Rule 1, the Committee of the Association shall elect triennially six persons, who shall be eligible to act as Umpires in any disputes submitted to the Association for arbitration.

Secretary.

The Secretary or Acting Secretary for the time being of the Association shall be, and is hereby appointed to act as Secretary in all arbitrations conducted by the Association in accordance with these rules.

He shall also keep a record in the form, from time to time prescribed by the Committee of the Association, of all arbitrations conducted by the Association, receive all fees in connection therewith and keep the necessary books of account, and shall diligently perform all other duties prescribed by, or necessary under these rules.

Appointment of Arbitrators.

Rule 3.—In all cases in which any dispute has arisen in relation to a piecegoods contract which provides for a decision thereon by the Association, or in relation to any piecegoods contract in respect of which the parties thereto have subsequently agreed in writing to submit to such a decision, each party to the dispute shall appoint an Arbitrator to act on his behalf. The Arbitrators so appointed shall in all cases be chosen from the panel of Arbitrators elected in accordance with Rule 1.

Rule 4.—The appointment of Arbitrators in accordance with Rule 3 shall be made in writing addressed to the Secretary upon Form I prescribed by the Association, and shall be signed by both parties to the dispute or persons duly authorized to sign on their behalf.

Appointment of Arbitrator by one party.

Rule 5.—Where a dispute has arisen or differences exist with reference to a contract which provides for arbitration in accordance with these rules, then, notwithstanding anything in Rules 3 and 4, either party to the dispute may, by notification to the Secretary on Form II, appoint an Arbitrator to act on his behalf, such Arbitrator to be chosen from the panel of Arbitrators elected in accordance with Rule 1.

Notification to other party.

Rule 6.—Upon receipt of a notification of the appointment of an Arbitrator by one party in accordance with Rule 5, the Secretary shall give written notice to the other party to the dispute of the appointment of an Arbitrator by the first party and shall call on the second party to appoint an Arbitrator.

Reference to sole Arbitrator, if second Arbitrator is not appointed after 15 days.

Rule 7.—Upon receipt of a written notice in accordance with Rule 6, the notified party shall within fifteen days appoint an Arbitrator, selected from the panel of Arbitrators, to act on his behalf. The appointment of an Arbitrator under this rule shall be made upon Form III and sent to the Secretary of the Association.

If, after due notice as aforesaid, the party fails to appoint an Arbitrator to act on his behalf, the dispute shall stand referred to the Arbitrator appointed by the other party under Rule 5 as sole Arbitrator, and any award which he may make shall be final and binding upon both parties.

Rule 8.—Before proceeding to adjudicate in any dispute in which two Arbitrators have been appointed in accordance with the preceding rules, the Arbitrators shall select an Umpire and communicate the name of the Umpire so selected to the Secretary of the Association. The Umpire so chosen shall be selected from the panel of Umpires appointed in accordance with Rule 2 and his name shall not be communicated to the Secretary unless he has consented to act.

Rule 9.—If the Arbitrators are unable to agree as to their Umpire, they shall notify the Association of their disagreement and shall request the Committee of the Association to appoint an Umpire from the panel of Umpires. Upon receipt of a notification that an Umpire has been appointed and has consented to act, the Arbitrators shall thereupon proceed with the hearing of the reference.

Rule 10.—If for any reason the Arbitrators fail to agree they shall within one month of entering upon the reference or within such extended time as is permitted by Rule 17 or Rule 18, refer the dispute for adjudication by the Umpire.

Rule 11.—No Umpire shall be appointed to adjudicate in any dispute to which he or his employers are a party.

Arbitrators to be disinterested.

Rule 12.—In selecting Arbitrators the parties to the dispute shall ensure that no person is selected or shall adjudicate in any dispute in which he or his employers are interested, and that not more than one person from the same firm shall be appointed as an Arbitrator.

Death of an Arbitrator or Umpire

Rule 13.—If an Arbitrator or Umpire dies or for any reason becomes incapable of acting, a new Arbitrator or Umpire shall forthwith be appointed.

Submission.

Rule 14.—The Arbitrators shall appoint a time and place for hearing of the reference and within seven days of the notice in that behalf the parties to the dispute shall prepare and submit written statements of their respective cases.

Submission by one party.

Rule 15.—If after a notice in accordance with Rule 14 a party to a dispute fails to submit a statement, the Arbitrators may without further notice proceed with the adjudication of the dispute at the time and on the date fixed for the hearing on the basis of the statement submitted by the other party.

Submission available for inspection by other party.

Rule 16.—If separate statements are put forward by each party, the Arbitrators may at their discretion cause a copy of each statement, with or without accompanying enclosures or extracts therefrom, to be submitted to the opposing party for information and remark if desired.

Rule 17.—The Arbitrators may, at their discretion, extend the time for the submission of a written statement but shall not be bound to receive or consider any written statement of either party, tendered after the expiration of the original or the extended time as the case may be.

Power to call for extra or verbal evidence.

Rule 18.—The Arbitrators or the Umpire shall have general authority to require from either or both of the parties to the dispute such further verbal or written statements, explanations, and other information, evidence and materials as they or he may consider necessary for the adjudication of the dispute and may, in such instances, by endorsement on the reference paper, extend the time for making an award by a period not exceeding one English calendar month.

Hearing in absence of one party.

Rule 19.—The Arbitrators or the Umpire may proceed with the reference in the absence of any party who shall after due notice refuse or neglect to attend without having satisfied the Arbitrators or the Umpire, as the case may be, that good and sufficient reason exists for such neglect or refusal.

Sample for inspection.

Rule 20.—At the time appointed for the reference the parties shall have ready at the rooms of the Association or elsewhere as directed the sale samples duly attested, and if required sample packages or complete bales. Samples, packages or bales so sent will be at the sender's risk and must be accompanied by a peon in charge and by a cooper to open the packages.

Advice of counsel.

Rule 21.—The Arbitrators or the Umpire, as the case may be, may, with the consent of both parties, before making a final award, and at the expense of the parties to the dispute, consult and adopt the advice of

solicitors or counsel on any question of law, evidence, practice or procedure arising in the course of the reference. In such instances the time for making an award may be extended by a period not exceeding one English calendar month.

Award to be made in certain time

Rule 22.—When a dispute stands referred to two Arbitrators they shall make their award in writing in Form V, within one month of first entering upon their reference, or within the extended period allowed by them under Rule 17 or Rule 18.

Award of sole Arbitrator.

Rule 23.—When a dispute stands referred to a sole Arbitrator he shall make his award in writing on Form VI, within one month of first entering upon the reference, or within the extended period allowed by him under Rule 17 and Rule 18.

Umpire's award

Rule 24.—When a dispute stands referred to an Umpire he shall make his award in writing on Form VII within fourteen days of entering upon the reference or within the extended time allowed under Rule 17 or Rule 18.

Award to bear appropriate stamps.

Rule 25.—The award in Forms V, VI or VII bearing stamps to the value laid down under the provisions of the Stamp Duties Act for the time being in force, shall be lodged with the Secretary and shall state clearly the liability of each party in respect of the fees, charges and expenses in connection with the arbitration.

Copies of award to disputants

Rule 26.—When completed a signed copy of the award shall be sent by the Secretary to each of the parties to the dispute, for compliance with the terms thereof.

Extent of award.

Rule 27.—The Arbitrators or the Umpire may by their or his award determine what they or he shall think fit to be done by either of the parties concerned, respecting the matters referred.

Award binding on all parties.

Rule 28.—The parties shall in all things abide by and obey the award which shall be binding on the parties and on their respective representatives notwithstanding death or legal disability occurring to any party before or after the making of the award, and so that death or legal disability shall not operate as revocation of the submission.

Setting aside award.

Rule 29.—No objection shall be taken or be entertained to any application to file an award except and unless such objection is made upon the grounds laid down in Section 14 of the Indian Arbitration Act, 1899.

Further award:

Rule 30.—Whenever an award directs that a certain act or thing shall be done by one party to the reference and such party fails to comply with the award, the party in whose favour the award was made may make an application for a further award determining the amount of damages or compensation payable by reason of such failure, and the Committee of the Association on receipt of such application shall proceed to appoint

Arbitrators or an Umpire who may or may not be the same persons or person who made the first award. The arbitration on the said application shall then proceed in accordance with these rules and the award thereon may be filed separately or together with the original award.

Immunity of Arbitrators.

Rule 31.—Neither party to a dispute which has been submitted to arbitration as provided in these rules shall bring or prosecute any suit or proceedings whatsoever against the Arbitrators, or the Umpire, or the Secretary for the time being of the Association, for or in respect of any suit or proceedings save for the enforcement of the award against the other party.

Application of Indian arbitration laws.

Rule 32.—The provisions of the Indian laws relating to arbitration in so far as they are not inconsistent with these rules, shall apply in the conduct of all arbitrations conducted by the Association.

Fees.

Rule 33.—In respect of any arbitration conducted in accordance with these rules fees shall be paid in accordance with the following Schedule :—

SCHEDULE.

Rs. 15 for each Arbitrator.

Rs. 30 for any Umpire appointed in accordance with these rules.

Rs. 10 as fees due to the Association for clerical duties in connection with the arbitration and filing of the award.

Recovery of fees

Rule 34.—A bill showing the amount due in respect of fees, stamp duties, etc., due to the Arbitrators, the Umpire, and the Association, by each party to the dispute shall accompany any copy of the award sent in accordance with Rule 26, and shall be paid within seven days of the receipt thereof.

Rule 35.—In addition to the fees mentioned in Rule 33 the parties to the dispute shall pay as and when demanded by the Secretary, and as set out in the award, all other fees or charges incurred during the arbitration in accordance with Rule 20.

Notices.

Rule 36.—All notices required by these rules to be given shall be in writing and shall be sufficiently given if left at the last known place of abode or business of the party to whom the notice is addressed, or if sent by post prepaid addressed to him by name at such place of abode or business, and not returned through the post as undelivered before the completion of the award in Forms V, VI or VII, and shall if sent by post be considered to have been given at the time at which the letter would in the ordinary course be delivered.

NOTE.—All the Forms mentioned in these rules may be had on application from the Secretary of the Bombay Millowners' Association.

STANDARD CONTRACT.

No._____ *Bombay,*_____

We, the undersigned (hereinafter called " the Buyers "), hereby agree to purchase from_____

_____

(hereinafter called " the Company "), the undermentioned goods upon the following terms and conditions, that is to say :—

Quality No.	Description.	Seasonal or non-seasonal.	Dimensions.			No. of Bales.	Pieces in each Bale.	Total pieces.	Total lbs.	Rate ex-mills.			Per lb./piece/yard.	Quality as.	Discount.	Brokerage.	Sahi.	Border.	Headings.	Designs.	Assortment of designs in each Bale.	Ticket or Stamps.
			In.	yds.	lbs.					Rs.	a	p.										

Delivery of the said goods shall be taken by the Buyers as follows :—

(Please turn over).

THE TERMS AND CONDITIONS OF THE STANDARD CONTRACT FORM.

1. The quality of the goods shall, except in the case of a sale by sample, accord with the recognized standard quality cloth manufactured by the Company.

In the case of a sale by sample the buyers shall be deemed to have approved the sample furnished by the Company, unless the buyers shall within 4 days after the receipt of the sample intimate in writing to the contrary to the Company.

2. The Company does not guarantee, except where a particular assortment is specially stipulated, any fixed assortment in the deliveries of goods of various dimensions and patterns and bearing different numbers, and in such cases the buyers shall take delivery of and pay as herein agreed for all bales (not exceeding the contract quantity) from time to time ready for delivery regardless of the assortment.

3. Where the contract is for 100 bales or more, the buyers agree to accept at the price herein fixed an assortment of bales to the extent of 10 per cent. more or less than the contract quantity, and where the contract is for less than 100 bales the buyers agree to accept at the price herein fixed an assortment of bales to the extent of 5 per cent. more or less than the contract quantity, but as regards such limits the buyers shall not be obliged to take up more than 5 bales more or less of each sort, including any loose pieces of each sort.

4. In the case of goods sold at a fixed rate per pound the buyers shall not raise any objection or claim compensation for short weight so long as the average weight per bale in each lot delivered does not vary from the invoice weight by more than 2 per cent. per bale. The Company does not guarantee the weight of any goods sold by the piece.

5. The buyers shall not be entitled to any allowance or compensation for any deficiency in the width of dyed, bleached and/or calendered goods when such deficiency does not exceed one inch.

6. In the case of a sale of ready goods payment therefor shall be made and delivery thereof taken by the buyers within 8 days of sale.

7. In the case of a sale of goods for future delivery, when the period of delivery extends to two months or more and the quantity deliverable per month is not specified, the Company shall supply the goods in approximately equal lots per month, and the buyers shall on the last day of each English calendar month take delivery and pay for in cash against delivery of as many bales, approximating to the quantities specified in the contract, as shall have been made ready during that month, and either at the mill premises or at the godowns of the Company as the Company may direct: Provided that in the case of bales of which delivery is required in Bombay, the Company will ordinarily be willing to give delivery through the Selling Agents of the Company in the market, but giving delivery in the market shall not render the Company liable to a claim by the buyers for late delivery if the bales were ready for delivery at the mill premises or the godowns of the Company on the last day of the aforesaid calendar month.

8. The Company shall as far as possible, but without being under any obligation to do so, notify the buyers of the number and particulars of the bales ready for delivery at the end of each calendar month, and shall also furnish to the buyers if requested by the buyers in writing so to do the number and particulars of the bales ready for delivery from time to time during the month. Any such notification or furnishing of particulars by the Company as aforesaid shall not imply or be deemed to imply an obligation or undertaking on the part of the Company to give any further notification, or to furnish any further particulars, except upon the written request of the buyers, it being the duty of the buyers to ascertain the number and particulars of the bales ready for delivery from time to time and to pay for and take delivery thereof.

9. In the event of the buyers requesting the Company to despatch the goods either by rail, road or sea and the Company acceding to such request the goods shall be at the risk in all respects of the buyers from the time they leave the mill premises or the godowns of the Company as the case may be, including the risk of delay in delivery due to the non-booking of the goods by the Railway or Shipping Company for which the Company takes no responsibility.

10. Where the goods are to be delivered in lots or by instalments this contract shall be deemed and construed as a separate contract in respect of each lot or instalment, and the rights and liabilities of the Company and the buyers respectively shall be the same as though a separate contract had been made in respect of each lot or instalment.

11. All goods of which delivery shall not be taken by the buyers in accordance with the terms of this contract shall, as from the date on which delivery thereof ought to have been taken, be deemed to have been appropriated to this contract and the buyers shall be deemed to have assented to such appropriation without any further consent on their part than is evidenced by their being parties to and signing this contract. From the date of such appropriation the said goods shall be held by the Company for the account of the buyers and at their sole risk as regards loss, damage, deterioration or otherwise and the price of the goods *plus* all charges shall carry interest in favour of the Company from due date at the rate of 9 per cent. per annum and the Company shall be entitled at its sole discretion and after giving not less than seven days' written notice to the buyers, which shall be deemed to have been duly given if delivered at or sent by registered post to the last known place of business or residence of the buyers, to sell the said goods on account and at the risk of the buyers either by public auction and/or private sale and either together or in lots and at such time or times and on such terms and conditions as the Company may think fit. If the net sale proceeds of the goods shall be less than the amount due to the Company for the price of the goods *plus* interest and all charges, the buyers shall pay the difference to the Company on demand.

12. The Company shall have a general lien on all goods of the buyers for the time being in the possession of the Company (including goods already paid for but of which delivery may not have been taken by the buyers) for the total amount due to the Company for the time being under this contract and also for any amount due to the Company under any other contract with the buyers either alone or jointly with another or others.

13. In respect of all goods of which delivery shall not be taken by the buyers within 14 days after the due date the buyers agree to pay to the Company on demand annas eight per bale per month or any part of a month for godown rent and annas four per bale per month or any part of a month for insurance calculated from the expiry of such period of 14 days to the date on which actual delivery shall be taken by the buyers.

14. If any goods while in the possession of the Company shall be destroyed and/or damaged from any cause whatsoever after the due date for delivery thereof to the buyers, any sum recovered from the insurance of such goods against such destruction and/or damage may be applied by the Company in satisfaction in whole or in part as the case may be of the price of the said goods *plus* interest and all charges and if the sum so recovered shall be less than the price of the said goods *plus* interest at 9 per cent. and all charges the buyers shall pay the difference to the Company on demand, and on the other hand if the sum so recovered shall be greater than the price of the said goods *plus* interest at 9 per cent. and all charges the Company shall pay the excess to the buyers on demand.

15. If the Company shall be unable to deliver the whole or any part of any goods sold for future delivery by the time specified for delivery thereof by reason of the mills working short time or its being expedient to stop the mills temporarily or by reason of fire, war, stoppage or hindrance in the supply of raw materials or fuel, explosion, accident, strike, riot, lock-out or other disorganization of labour or transport, breakdown of machinery, or any inevitable or unforeseen event beyond human control directly or indirectly interfering with the working or the full working of the mills, the buyers shall take delivery of such bales as the Company may be in a position to deliver (if any) and the time for completing the contract

shall, as regards the bales not ready by the specified time, be extended for such time as the Company may reasonably require to make up for the delay caused by stoppage, hindrance to or interference with the working of the mills or any other events or circumstances before mentioned PROVIDED ALWAYS that should the inability to deliver in the case of non-seasonal goods be continuous during the period of three consecutive English calendar months, and in the case of seasonal goods during the period of one English calendar month, then the buyers shall be entitled by notice in writing of their intention to do so, to cancel the contract in respect of any bales then remaining to be manufactured.

16. If for any reasons other than those mentioned in the last preceding clause any portion of the contract goods is not ready by the specified time it shall be lawful for the buyers at their option either to cancel the contract in so far as it relates to the balance of the goods not then ready for delivery, or to extend the time of delivery for such period as the Company may reasonably require, not exceeding one month, PROVIDED ALWAYS that if the buyers shall elect to cancel the contract it shall be incumbent upon them to give to the Company within 7 days after the due date for delivery of the goods not then ready notice in writing of their intention to cancel, and in default of such notice within the time aforesaid the buyers shall be precluded from cancelling the contract and the time for delivery shall be deemed to have been extended for such period as the Company may reasonably require, not exceeding one month, to make ready for delivery the balance of the goods then undelivered.

17. In any of the cases provided for in the last two preceding clauses the buyers shall not be entitled to make any claim for damages, allowance, compensation or otherwise in respect of such non-delivery or late delivery and shall pay for the goods delivered at contract rates, and in the event of the time for delivery being or being deemed to have been extended all the provisions of this contract shall apply equally to the extended time as the time originally specified including therein the remedies reserved to the Company for failure on the part of the buyers to pay for and take delivery of the goods when ready within the extended period and including the liability of the buyers for interest.

18. The buyers shall not be entitled to make any claim for an allowance or otherwise in regard to the condition of the goods when once the goods have left the mill premises or the godown, as the case may be of the Company, unless the buyers prove that the damage was done at the mills, and the claim is lodged within 14 days of the delivery of the goods.

19. The buyers shall not be entitled to make any claim for an allowance or otherwise on the ground that the goods delivered are not in accordance with the contract unless notice in writing of their intention to make such claim shall have been given to the Company within one calendar month after the date of actual delivery of the goods to the buyers or to a carrier or other agent on behalf of the buyers. In default of any such notice the goods delivered shall be deemed to be in all respects in accordance with the contract.

20. In the event of any goods the subject of this contract or any portion thereof being destroyed or so damaged by fire, water or other cause beyond the control of the Company as to render them unmerchantable while stored at the mills or godowns of the Company pending due date of delivery, the contract in respect of such goods shall be deemed to have been cancelled by mutual consent and the buyers shall have no claim whatsoever against the Company in respect of such goods, but if the price of such goods shall have been then paid the buyers shall be entitled to a refund thereof.

21. All disputes and questions whatsoever which shall arise between the parties hereto out of or in connection with this agreement or as to the construction or application thereof or the respective rights and obligations of the parties hereunder or as to any clause or thing herein contained or any account or valuation to be made hereunder or as to any other matter in any way relating to these presents shall be referred to arbitration in accordance with the rules of the Millowners' Association, Bombay, for the time being in force regulating arbitrations with respect to piecegoods.

22. Notwithstanding any such reference to arbitration as aforesaid the buyers shall take delivery of the goods the subject of the reference and pay for the same as herein agreed and unless the arbitration award is to the effect that the goods under dispute are "no tender" the buyers shall be bound to accept the said goods on payment by the Company of the allowance (if any) awarded to the buyers. If, however, the arbitration award is to the effect that the goods are "no tender" the buyers shall be entitled to invoice back the said goods with any penalty the arbitrators may award.

23. Nothing appearing in the contract in any vernacular language, save only the name or signature of the buyer or his agent, shall be binding upon the Company.

RULES FOR THE ELECTION OF REPRESENTATIVES OF THE ASSOCIATION ON THE BOARD OF THE VICTORIA JUBILEE TECHNICAL INSTITUTE.

The Association is entitled to elect two members on the Board of the Victoria Jubilee Technical Institute so long as it continues to contribute not less than Rs. 2,000 per annum for the maintenance of the Institute.

1. Any member of the Association shall be eligible to act as Representative of the Association on the Board of the Victoria Jubilee Technical Institute.

2. The period of office of any elected Representative of the Association on the Board of the said Institute shall be one of three years. At the end of such period he shall retire but may be re-elected.

3. The appointment of the Association's Representatives shall be made at a general meeting of the Association and such Representatives shall *ex officio* be members of the Committee of the Association.

4. In the event of the disqualification of any of the Association's Representatives under Section 9 or 10 of the Rules and Regulations of the said Institute, or in the event of the decease or resignation of such Representative, or in the event of his ceasing for any reason to be a member of the Association, the Committee shall appoint a successor, who shall hold office up to that date at which the Representative whom he succeeds would, under Rule 2, have retired.

5. In the event of the absence of any of the Association's Representatives from three or more consecutive meetings of the Board, or in the event of any of the Association's Representatives applying for leave of absence, the Committee may, if they think fit and with the consent of the Board of the said Institute, appoint a substitute who shall hold office until the Representative whom he replaces resumes attendance or up to that date at which the Representative whom he replaces would, under Rule 2, have retired.

RULES FOR THE ELECTION OF A REPRESENTATIVE OF THE BOMBAY MILLOWNERS' ASSOCIATION TO SERVE ON THE IMPROVEMENTS COMMITTEE CONSTITUTED UNDER THE PROVISIONS OF THE CITY OF BOMBAY IMPROVEMENT TRUST TRANSFER ACT, 1926.

1. Candidates shall be nominated in writing signed by one proposer and one seconder, who must be both members of the Association, and the nomination papers must be sent in to the Secretary ten clear days before the day fixed for the election.

2. The Secretary of the Association shall circulate the names of the applicants four clear days before the election.

3. The Committee shall appoint two days, which shall be duly advertised, upon which the balloting shall take place. The ballot-box shall be open from 10 A.M. till 6 P.M. on each day.

4. Votes may be given either in person or through any one duly authorized by a member of the Association, each subscribing member being entitled to one vote for every complete sum of Rupees fifty paid by him as annual subscription to the Association.

5. The Committee shall appoint two scrutineers, who, at 6 P.M. on the second day of the ballot, shall open the box and declare the result.

6. The candidate who has the largest number of votes shall be declared duly elected.

7. In the event of an equality of votes preventing the due election of any of the candidates, the members of the Association shall vote afresh in the manner above laid down, the voting in such case to be confined to the candidates who have secured an equal number of votes.

8. In the event of only one candidate being duly nominated, the circulation of the name of such candidate and the ballot may be dispensed with, and the Committee may declare such candidate duly elected.

9. In the event of a casual vacancy the above course shall be followed in the appointment of a substitute.

10. In the event of the temporary absence of a Representative of the Association on the Improvements Committee, necessitating the appointment of a substitute under Section 13 (2), such appointment shall be made by a majority of the votes of the Committee of the Association at a meeting called for the purpose.

RULES FOR THE ELECTION OF A REPRESENTATIVE OF THE BOMBAY MILLOWNERS' ASSOCIATION TO SERVE ON THE BOARD OF TRUSTEES OF THE PORT OF BOMBAY.

1. Candidates shall be nominated in writing signed by one proposer and one seconder, who must be both members of the Association, and the nomination papers must be sent in to the Secretary fifteen clear days before the day fixed for the election.

2. The Secretary of the Association shall circulate the names of the applicants ten clear days before the election.

3. The Committee shall appoint a day, which shall be duly advertised, upon which the balloting shall take place. The ballot-box shall be open from 10-30 A.M. till 5 P.M. on that day.

4. Votes may be given either in person or through any one duly authorized by a member of the Association, each subscribing member being entitled to one vote for every complete sum of Rupees fifty paid by him as annual subscription to the Association.

5. The Committee shall appoint two scrutineers, who, at 5 P.M. on the day of the ballot, shall open the box and declare the result.

6. The candidate who has the largest number of votes shall be declared duly elected.

7. In the event of an equality of votes preventing the due election of any of the candidates, the members of the Association shall vote afresh in the manner above laid down, the voting in such case to be confined to the candidates who have secured an equal number of votes.

8. In the event of only one candidate being duly nominated, the circulation of the name of such candidate and the ballot may be dispensed with, and the Committee may declare such candidate duly elected.

9. In the event of a casual vacancy the above course shall be followed in the appointment of a substitute.

10. In the event of the temporary absence of a Representative of the Association on the Board of Trustees, necessitating the appointment of a substitute, such appointment shall be made by a majority of the votes of the Committee of the Association at a meeting called for the purpose.

PROCEDURE IN CONNECTION WITH THE ELECTION OF THE REPRESENTATIVES OF THE ASSOCIATION ON THE LEGISLATIVE ASSEMBLY AND THE BOMBAY LEGISLATIVE COUNCIL.

Explanatory Note.

Prior to November 1920, the date of the first elections to the new Councils constituted under the Reforms Scheme, the Association's Representative on the Bombay Legislative Council had been elected in accordance with the provisions of the Association's Rules for the election of such members. Under the rules framed under the Government of India Act, 1919, however, the Association becomes a Commerce and Industry Constituency and is entitled to elect one member to the Legislative Assembly and one member to the Bombay Legislative Council. Election to these bodies will henceforth be held in accordance with special Rules and Regulations drawn up by the Government of India and the Local Government in that respect. The Rules and Regulations in question have been published in the *Gazettes*, but the following summary of their provisions, so far as they relate to elections in this Constituency, has been prepared for the convenience of members.

Notes as to the procedure to be followed in connection with the election of Members of the Association for the Bombay Millowners' Association Constituency of the Indian Legislative Assembly and the Legislative Council of the Governor of Bombay.

N.B.—It must be distinctly understood that the following Notes are drawn up merely for the convenience of members and are in no way to be considered as overriding the Rules and Regulations framed under Section 7 of the Government of India Act, 1919.

Rules. Part II and Part III.

1. Members only of the Bombay Millowners' Association as defined in Rule 5 of the Association's Rules and Regulations will be eligible to vote at elections for, and be eligible for nomination as candidates for election to the above Councils.

The term member includes any person entitled to exercise the rights and privileges of membership on behalf of any person, firm, company, or other corporation registered as such member, provided such person is not disqualified under the provisions of Part II of the Electoral Rules, and has been duly nominated, in accordance with Clause 3 of these Notes by the said member.

Regulations: Part I.

2. The Secretary for the time being of the Association will be the Returning Officer for the Constituency.

Regulations: Part II.

3. The Secretary will immediately before each election call upon each member to nominate a person, who is duly qualified under Rules 7, 8 or 9 of the Association's Rules and Regulations and who is not otherwise disqualified, for registration on an electoral roll and except as is hereinafter provided, only such person as is so nominated and registered will be eligible to vote on behalf of such member at the ensuing election, and be eligible for nomination as a candidate for election at the ensuing election.

Regulations. Part II, Clause 1 (3) and Clauses 4 & 5.

4. The Secretary will on or before a date to be fixed by the Local Government publish the Electoral Roll provided for in Clause 3 of these Notes at the Headquarters of the Association, and at the time of publishing the roll will in like manner publish a notice in the form prescribed in Schedule I attached to these Notes.

Regulations. Part II, Clause 6.

5. On receipt of the orders made by the Revising Authority in regard to any claims or objections that may be raised, the Secretary will make such cancellations in, and will prepare a list of such additions to, the Electoral Roll as may be required in accordance with such orders and will re-publish such amended Electoral Roll and list of additions at the Headquarters of the Association on or before a date to be fixed by the Local Government.

6. The Electoral Roll will come into force from the date of re-publication provided for in Clause 5. Rules. Part III, Clause 9 (4).

7. The Electoral Roll as amended and supplemented by the list of additions will be conclusive evidence for the purpose of determining whether any person is an elector in this Constituency. Regulations. Part II, Clause 7.

8. A fresh Electoral Roll will be prepared for each election in the prescribed manner. Regulations. Part VIII, Clause (*j*).

9. Any person whose name appears on the Electoral Roll of the Association may be nominated as a candidate for election in the manner hereinafter provided. Rules. Part IV, Clause 11.

10. Nominations will be by means of a nomination paper in Form I appended to the Electoral Regulations and which will be supplied by the Secretary to any member asking for the same. Regulations. Part III, Clause 1 (1).

11. Every nomination paper will be subscribed by two members as proposer and seconder and will be signed by the candidate as assenting to the nomination. Regulations. Part III, Clause 1 (2).

12. Where a member subscribes a larger number of nomination papers, those first received up to the number allowed will be deemed to be valid and the remainder invalid. Where in any such case the Secretary is not able to determine which nomination papers were received first, all such papers will be deemed to be invalid. Regulations. Part III, Clause 1 (3).

13. Each candidate will be nominated by a separate nomination paper. Regulations. Part III, Clause 1 (4).

14. Save as provided in Clause 15, every nomination paper will be presented to the Secretary at the Headquarters of the Association by the proposer or seconder on or before a date and at a time, if any, appointed by the Local Government in this behalf. Regulations. Part III, Clause 2 (1).

15. A candidate may be nominated by a nomination sent by post so as to reach the Secretary before the time appointed as aforesaid in Clause 14. The proposer and seconder will append to such nomination paper a certificate from a Gazetted Revenue or Judicial Officer that they have signed the paper in his presence and that they are members of the Association. Regulations. Part III, Clause 2 (2).

16. A candidate who has been duly nominated for election may withdraw his candidature by a written and signed communication delivered to the Secretary not less than fourteen clear days before the date fixed for the recording of votes; or if the period between the dates fixed for the scrutiny of nomination papers and the recording of votes is less than fourteen clear days, not later than the date fixed for such scrutiny. The Secretary will forthwith publish any such withdrawal in such newspapers as he may select and, where the name of the candidate has been inserted in any voting paper, will cause the same to be cancelled. Regulations. Part III, Clause 3 (1), & (2).

17. A candidate who has withdrawn his candidature will not be allowed to cancel the withdrawal or to be re-nominated as a candidate for the same election. Rules. Part IV, Clause 11 (3).

18. In the event of the death of a candidate between the date fixed for the presentation of nomination papers and the date fixed for recording votes, all proceedings with reference to such election will be commenced afresh with the exception of proceedings in connection with the drawing up of the Electoral Roll as provided for in Clauses 3 to 6. Fresh dates for the stage of such election will be prescribed by the Local Government. Regulations. Part III, Clause 2 (3)

19. On the date and at the time appointed by the Local Government for the scrutiny of nomination papers, every candidate or his election agent, and his proposer and seconder may attend at the Headquarters of the Association and the Secretary will allow them to examine all nomination papers which have been received by him. Regulations. Part III, Clause 4 (1).

Regulations. Part III, Clause 4 (2).

20. The Secretary will examine the nomination papers and will decide all objections which may be made to any nomination paper on the ground that it does not comply with the provisions of Clauses 9, 10, 11, 12 and 13, and may reject, either of his own motion, or on such objection, any nomination paper on such ground or on the ground that it was not received at or before the time appointed for the nomination of candidates; or that the candidate has not complied with the provisions of Clause 22; the decision of the Secretary, with the reasons therefor, will be endorsed by him on the nomination paper in respect of which such decision is given.

Regulations. Part III, Clause 5 (1).

21. The Secretary will forthwith publish in such newspapers as he may select the names of the candidates who have been validly nominated, and the order in which the names of the candidates will appear in the voting paper.

Rules. Part IV, Clauses 11 and 15.

22. On or before the date on which a candidate is nominated the candidate will make in writing and sign a declaration appointing either himself or some other person who is not disqualified under the Electoral Rules to be his election agent and no candidate will be deemed to be duly nominated unless such declaration has been made.

Rules. Part IV, Clause 16 (1)

23. The appointment of an election agent, whether the election agent appointed be the candidate himself or not, may only be revoked by a writing signed by the candidate and lodged with the Secretary and will operate from the date on which it is so lodged.

Rules. Part IV, Clause 16 (2).

24. In the event of such a revocation or of the death of any election agent, whether such event occurs before, during or after the election, then the candidate will appoint forthwith another election agent and declare his name in writing to the Secretary.

Rules. Part IV, Clause 17 (1).

25. Within one month or such longer period as the Governor may allow after the date of the declaration of the election, every candidate, either personally or through his election agent, will cause to be lodged with the Secretary a return of his election expenses containing the particulars specified in Schedule III appended to the Electoral Rules.

Rules. Part IV, Clause 17 (2).

26. Every such return will contain a statement of all payments made by the candidate or by his election agent or by any person on behalf of the candidate or in his interests for expenses incurred on account of, or in respect of, the conduct and management of the election and further a statement of all unpaid claims in respect of such expenses of which he or his election agent is aware.

Rules. Part IV, Clause 17 (3).

27. The return will be accompanied by declarations by the candidate and his election agent which will be in the form contained in Schedule III appended to the Electoral Rules and will be made on oath or affirmation before a Magistrate.

Rules. Part IV, Clause 17 (4).

28. The Local Government will cause to be prepared in such manner, and maintained, for such time, as it may direct, a record showing the names of all candidates at every election under these rules and the date on which the return of election expenses of each candidate has been lodged with the Secretary.

Rules. Part IV, Clause 12 (1).

29. If the number of candidates who are duly nominated and who have not withdrawn their candidature before such time as the Local Government may fix in this behalf exceeds that of the vacancies, a poll will be taken.

Rules. Part IV, Clause 12 (2).

30. If the number of such candidates is equal to the number of vacancies, all such candidates will be declared to be duly elected.

Rules. Part IV, Clause 12 (3).

31. If the number of such candidates is less than the number of vacancies, all such candidates will be declared to be elected and the Governor will, by a notification in the *Bombay Government Gazette*, call for fresh nominations for the remaining vacancy or vacancies and if any such are received, will call upon the Association to elect a member or members, as the case may be.

32. Votes will be given by ballot and no votes shall be received by proxy. The voting paper will be in Form II-A appended to the Electoral Regulations, and the procedure laid down in Parts V and VI of the Electoral Regulations for the recording of votes will be followed. Rules. Part IV, Clause 12 (4), and Regulations, Parts V & VI.

33. Each member shall be entitled to one vote only. Regulations, Part V, Clause 1 (*c*) and (*d*).

34. Votes will be counted by or under the supervision of the Secretary, and any candidate or candidates, or in the absence of a candidate, a representative duly authorized by him in writing will have the right to be present at the time of counting. Regulations. Part VI, Clause 1 (1).

35. When the counting has been completed, the Secretary will forthwith declare the candidate to whom the largest number of votes has been given, to be elected. Rules. Part IV, Clause 12 (7).

36. Where any equality of votes is found to exist between any candidates and the addition of one vote will entitle any of the candidates to be declared elected, the determination of the person to whom such one additional vote will be deemed to have been given will be made by lot to be drawn in the presence of the Secretary of the Association and in such manner as he may determine. Rules. Part IV, Clause 12 (8).

37. The Secretary will without delay report the result of the election to the Secretary to the Council, who will publish the name of the candidate elected in the *Bombay Government Gazette*. Rules. Part IV, Clause 12 (9)

SCHEDULE.

Regulations. Part II, Clauses 4 & 5.

Notice under Regulation 4, Part II of the Legislative Assembly Electoral Regulations and of the Bombay Legislative Council Electoral Regulations.

1. The Electoral Roll of the Bombay Millowners' Association Constituency is hereby published in accordance with Regulation 3, Part II.

2. Any person entered on the roll who objects to any entry in the roll or any person claiming to be entered in the roll should lodge his claim or objection in the following manner :—

(*a*) Such claim or objection shall be made in writing and shall specify the Constituency in question, the grounds on which the right of any person to be entered in the roll is asserted or denied, the evidence which the claimant or objector intends to lead, the address of the claimant or objector, his number, if any, in the Electoral Roll and the area in the roll for which he is entered and in the case of an objection, the number in the Electoral Roll of the person to whose entry objection is taken and the area in the roll for which he is entered.

(*b*) Four copies of the claim or objection shall be delivered or sent by post so as to reach the office of the Judge authorized to receive the claim or objection under the Regulations on or before the third day from the publication of the roll, excluding the day of such publication.

(*c*) A claim or objection which is not lodged in the manner herein prescribed or by a person not entitled to lodge the same, shall be rejected.

3. Claims and objections relating to this roll should be sent to the Chief Judge of the Court of Small Causes, Bombay.

RULES FOR THE ELECTION OF A REPRESENTATIVE OF THE BOMBAY MILLOWNERS' ASSOCIATION TO SERVE ON THE BOMBAY MUNICIPAL CORPORATION.

1. Candidates shall be nominated in writing signed by one proposer and one seconder, who must be both members of the Association, and the nomination papers must be sent in to the Secretary fifteen clear days before the day fixed for the election.

2. The Secretary of the Association shall circulate the names of the applicants ten clear days before the election.

3. The Committee, in consultation with the Municipal Commissioner, shall appoint a day, which shall be duly advertised, upon which the balloting shall take place. The ballot box shall be open from 11 A.M. till 5 P.M. on that day.

4. Votes may be given either in person or through anyone duly authorized by a member of the Association, each subscribing member being entitled to one vote for every complete sum of Rupees fifty paid by him as annual subscription to the Association.

5. The Committee shall appoint two Scrutineers, who, at 5 P.M. on the day of the ballot, shall open the box and declare the result.

6. The candidate who has the largest number of votes shall be declared duly elected.

7. In the event of an equality of votes preventing the due election of any of the candidates, the members of the Association shall vote afresh in the manner above laid down, the voting in such case to be confined to the candidates who have secured an equal number of votes.

8. In the event of only one candidate being duly nominated, the circulation of the name of such candidate and the ballot may be dispensed with, and the Committee may declare such candidate duly elected.

9. In the event of a casual vacancy, an appointment to fill such vacancy shall be made by a majority of the votes of the Committee of the Association at a meeting called for the purpose.

Sections of the City of Bombay Municipal Act, III of 1888, *as amended by Act IX of* 1928, *pertaining to the Election of Councillors by the Bombay Millowners' Association.*

(1) The Corporation shall consist of one hundred and eight Councillors, as follows, namely:— Section 5.

Seventy-six Councillors elected at Ward elections;

Fourteen Councillors appointed by Government;

Four Councillors elected as follows:—

One by the Bombay Chamber of Commerce,
One by the Indian Merchants' Chamber and Bureau,
One by the Bombay Millowners' Association,
One by Fellows;

Four Councillors elected by delegates,

and ten co-opted Councillors elected by transferable vote by the Councillors elected and appointed under the preceding clauses of this section.

Section 6. (1) [*Repealed by Act XVI of* 1895.]

(2) Councillors selected or appointed to succeed retiring Councillors shall come into office on the day for the retirement of the Councillors whom they are to succeed.

Section 7. All members of the Corporation constituted as aforesaid shall retire from office at noon on the first day of April, three years after they take office, which day is in this Act referred to as the day for retirement.

Section 8. Any person who ceases to be a Councillor shall, unless disqualified, be re-eligible.

Section 15. A person shall not be qualified to be elected to be a Councillor at an election by a Chamber or Association mentioned in sub-section (1) of Section 5 or at a Fellows' election, unless he is at the time of the election a member of that Chamber or Association or a person entitled to exercise the rights and privileges of membership on behalf and in the name of any firm, company or corporation registered as a member of such Chamber or Association or a Fellow, as the case may be, and unless, in the case of a Fellow, he resides in the city.

Section 22. (1) General Elections of Councillors shall be fixed by the Commissioner, subject to the provisions of Section 23, to take place triennially on such days in the months of January and February as he shall think fit.

(2) [*Repealed by Act XVI of* 1895.]

(3) Elections to fill casual vacancies shall be fixed by the Commissioner to take place on such days as he shall think fit, as soon as conveniently may be after the occurrence of the vacancies.

Section 23. The dates for all General Elections shall be fixed in the following order, and with the following intervals, namely:—

Firstly.—The Ward elections shall be fixed to take place simultaneously for all the Wards.

Secondly.—The day for the election by the Chamber or Association mentioned in sub-section (1) of Section 5 shall be fixed at an interval not exceeding twenty-one days after the day fixed for the Ward elections.

Thirdly.—The day for the Fellows' election shall be fixed at an interval not exceeding fourteen days after the day fixed for the elections by the Chamber and Association mentioned in sub-section (1) of Section 5.

Fourthly.—The election of co-opted Councillors shall be held on a day fixed by the Commissioner subsequent to the above-mentioned elections and the appointment of Councillors by Government but prior to the day for retirement.

Section 31. (1) Elections of Councillors by the Chamber and Association mentioned in sub-section (1) of Section 5 shall be made by the members for the time being of the said Chamber or Association subject to the provisions of Section 15, in such manner as shall from time to time be determined at a meeting of the said Chamber or Association convened in accordance with the rules at the time in force in this behalf.

(2) The Secretary to the said Chamber or Association shall make a return in duplicate to the Commissioner setting forth the name in full of every person so elected.

Section 32. (1) The result of every election shall be declared by fixing, as soon as may be after the election, in some conspicuous place in the Chief Municipal Office, a notice certifying the names of the persons, if any, elected, and in the case of a contested election the number of votes recorded for each candidate.

(2) The said notice shall be signed in the case of a Ward election, and in the case of an election by Councillors, by the Commissioner, and in the case of an election by a Chamber or Association mentioned in sub-section (1) of Section 5, by the Secretary of such Chamber or Association, and in the case of a Fellow's election by the Registrar of the University of Bombay.

THE MILLOWNERS' ASSOCIATION, BOMBAY.

LIST SHOWING THE VARIOUS STATISTICAL RETURNS PUBLISHED BY THE ASSOCIATION, THEIR RESPECTIVE SUBSCRIPTIONS, ETC.

	MEMBERS.		NON-MEMBERS.		POSTAGE.	
	Yearly.	Charge per copy.	Yearly.	Charge per copy.	Yearly.	Per copy.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Yarn and Piecegoods Trade Statistics of Bombay	1 copy free, additional copies @ Rs. 2-8-0 each.		24 0 0	2 8 0	Free	Free
Yarn and Piecegoods Trade Statistics of British India.. ..	Do.		24 0 0	2 8 0	Do.	Do.
Current Quotations of Local - made Piecegoods and Yarns—Issued fortnightly ..	....	....	6 0 0	0 6 0	0 12 0	0 0 6
Rules and Regulations of the Association ..	....	0 8 0	....	1 0 0	....	0-2-0 Inland. 0-4-0 Foreign.
Annual Report of the Association.	1 copy free and for additional copies each Rs. 12-8-0.		....	12 8 0 for current issues 15 0 0 for back numbers	....	1-8-0 Inland. 3-0-0 Foreign.
Mill Statement showing Cotton Spinning and Weaving Mills working and in course of erection in India on 31st August each year issued yearly.	2 paper and 1 cloth copies free and for additional copies each—					
	Paper .. 3 0 0		Paper .. 3 0 0		Paper .. 0 4 0	
	Cloth .. 4 0 0		Cloth .. 4 0 0		Cloth .. 0 8 0	

No. 1.—ABSTRACT STATEMENT of the QUANTITY (in pounds) of YARN Spun.

[NOTE.—The statistics of yarn represent the quantities of all yarn actually spun in the mills whether they are subsequently woven in the mills or not.]

	Month of March			Twelve months, April to March		
	1930	1931	1932	1929-30	1930-31	1931-32
British India						
Bombay	39,344,156	42,662,523	49,807,740	467,289,325	475,944,062	549,038,671
Madras	5,546,107	6,003,652	8,451,344	74,480,250	76,926,345	87,675,691
Bengal	3,182,161	3,290,141	3,398,776	37,052,844	37,762,714	37,620,375
United Provinces . . .	6,899,820	6,038,809	7,469,451	76,456,492	85,049,326	89,817,642
Ajmer-Merwara . . .	480,804	525,924	600,443	5,695,294	6,002,989	6,962,180
Punjab	343,300	392,199	438,267	3,717,397	4,031,790	5,171,435
Delhi	1,428,127	1,647,832	1,879,905	18,441,539	19,580,773	24,471,590
Central Provinces and Berar .	3,410,067	3,672,811	3,547,229	45,110,508	45,102,511	44,142,990
Burma	273,076	283,828	289,799	2,575,574	3,264,790	3,258,696
TOTAL .	60,907,618	64,517,719	75,882,954	730,819,223	753,665,250	848,159,268
Foreign Territory						
Indian States of Indore, Mysore, Baroda, Nandgaon, Bhavnagar, Hyderabad, Wadhwan, Gwalior (Ujjain), Kishangarh, Cambay, Kolhapur, Cochin, Rajkot (*a*) and the French Settlement at Pondicherry	8,750,294	9,544,369	10,562,216	102,740,626	113,613,312	118,247,364
GRAND TOTAL .	69,657,912	74,062,088	86,445,170	833,559,849	867,278,562	966,406,632

(*a*) Figures for Rajkot are being reported from January, 1930.

No. 2.—ABSTRACT STATEMENT of the QUANTITY of WOVEN GOODS Manufactured.

[NOTE.—The weight in pounds represents the weight of all woven goods; the measure in yards relates only to grey and coloured piecegoods and is estimated from the poundage on a conventional basis; the figures in dozens relate to grey and coloured goods other than piecegoods, and to hosiery, the weight of these being estimated mainly on a conventional basis and included in the poundage.]

		MONTH OF MARCH			TWELVE MONTHS, APRIL TO MARCH		
		1930	1931	1932	1929-30	1930-31	1931-32
British India							
Bombay	pounds	33,468,104	34,266,268	40,193,464	376,413,138	392,057,330	459,247,935
	yards	155,902,087	165,154,803	199,331,250	1,724,925,196	1,829,798,378	2,188,300,219
	dozens	78,289	42,706	64,365	960,219	531,704	656,462
Madras	pounds	1,711,564	1,550,667	2,018,856	20,714,401	19,667,761	21,773,642
	yards	5,611,356	4,987,820	6,194,444	64,055,493	61,211,423	68,816,942
	dozens	27,365	28,640	25,091	270,436	275,694	254,546
Bengal	pounds	1,210,222	1,471,516	1,510,192	14,356,865	16,747,953	17,203,375
	yards	5,521,262	6,707,662	7,209,748	63,166,254	71,603,765	79,364,057
	dozens	12,262	8,332	20,464	179,517	127,514	172,828
United Provinces	pounds	2,476,203	2,231,608	3,200,288	30,339,280	33,954,435	36,369,851
	yards	9,767,794	8,902,258	12,824,769	117,919,380	130,001,131	144,201,542
	dozens	23,275	14,450	16,580	205,639	224,654	218,332
Ajmer-Merwara	pounds	358,183	395,423	544,947	4,420,958	4,805,303	5,866,202
	yards	1,219,400	1,419,417	2,115,632	15,653,049	16,760,058	21,274,475
	dozens	40	...	...	524	795	199
Punjab	pounds	95,894	102,535	208,786	1,094,629	1,204,228	2,075,615
	yards	341,566	339,564	806,812	3,937,830	4,096,009	7,575,081
	dozens	1,076	1,608	2,524	1,261	9,583	14,592
Delhi	pounds	1,252,003	1,438,021	1,660,974	15,938,598	17,785,425	21,657,522
	yards	4,595,642	5,319,110	6,021,813	53,833,217	57,895,287	71,432,292
	dozens	1,523	361	3,825	15,422	14,514	14,981
Central Provinces and Berar	pounds	1,585,472	1,722,166	1,632,971	21,342,863	21,647,910	21,100,828
	yards	6,225,227	6,731,376	6,501,204	81,610,432	81,997,447	81,656,691
	dozens	1,569	1,500	1,290	26,814	24,194	21,123
TOTAL	pounds	42,157,595	43,178,204	50,970,478	484,620,732	507,870,345	585,294,965
	yards	189,184,334	199,562,010	241,005,672	2,125,100,761	2,253,364,498	2,662,621,299
	dozens	145,399	97,597	134,139	1,659,862	1,208,652	1,353,063
Foreign Territory							
Indian States of Indore, Mysore, Baroda, Nandgaon, Bhavnagar, Hyderabad, Wadhwan, Gwalior (Ujjain), Cambay, Rajkot (*a*), Porbandar (*a*), Kolhapur, Cochin, Sangli (*b*), and the French Settlements at Pondicherry	pounds	6,336,226	6,973,219	7,596,909	77,615,976	82,487,619	86,961,996
	yards	24,529,778	26,703,145	30,271,915	293,880,288	307,768,537	327,269,802
	dozens	6,050	5,684	10,537	81,269	70,396	100,641
GRAND TOTAL	pounds	48,493,821	50,151,423	58,567,387	562,236,708	590,357,964	672,256,961
	yards	213,714,112	226,265,155	271,277,587	2,418,981,049	2,561,133,035	2,989,891,101
	dozens	151,449	103,281	144,676	1,741,131	1,279,048	1,453,704

(*a*) Figures for Rajkot and Porbandar are being reported from January, 1930.
(*b*) " " Sangli are being reported from June, 1930.

No. 3.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun.

BOMBAY PRESIDENCY

Count or Number	Month of March			Twelve months, April to March		
	1930	1931	1932	1929-30	1930-31	1931-32
1	84,311	217,559	178,648	2,990,424	1,797,858	2,846,267
2	425,683	645,418	723,269	6,437,289	5,259,335	7,570,316
3	169,635	115,552	116,473	1,316,264	1,142,963	1,464,124
4	549,521	614,472	443,613	7,331,759	6,633,547	6,356,181
5	8,308	64,637	13,959	386,226	606,946	482,161
6	460,261	402,506	259,819	5,505,980	5,012,727	4,407,997
7	874,303	1,583,423	1,242,322	12,139,128	15,666,878	14,899,987
8	533,136	336,835	203,444	5,147,951	6,950,747	5,400,721
9	701,515	537,984	668,660	8,357,301	8,278,887	7,687,832
10	1,261,862	814,263	1,179,487	13,722,209	12,728,485	12,387,052
Total, Nos. 1 to 10	5,068,535	5,332,649	5,029,694	63,334,531	64,078,373	63,502,638
11	836,048	911,695	607,310	10,608,127	11,490,626	11,565,688
12	995,861	997,569	595,066	12,847,660	13,372,008	9,295,147
13	775,344	1,317,848	1,569,963	11,896,462	13,962,433	13,046,358
14	1,100,230	1,017,444	1,143,383	13,647,215	13,418,863	15,896,498
15	972,172	947,149	918,981	9,494,377	11,312,116	11,322,686
16	717,722	832,867	1,255,681	11,824,724	10,280,392	14,333,207
17	572,242	836,099	1,037,920	6,377,930	6,604,957	9,773,678
18	744,122	818,205	978,124	10,235,739	9,142,037	13,166,082
19	433,724	211,226	153,526	4,608,420	3,138,514	2,494,799
20	8,374,099	7,964,567	10,890,437	96,103,645	90,062,364	115,143,594
Total, Nos. 11 to 20	15,521,564	15,854,609	19,150,391	187,644,299	182,784,310	214,037,735
21	3,387,594	3,736,037	3,936,839	38,700,873	35,025,789	42,774,686
22	2,867,248	2,553,349	3,329,407	39,546,632	31,678,163	33,773,090
23	217,705	155,314	321,965	3,143,803	1,517,908	2,580,282
24	2,301,979	2,424,362	2,469,434	28,859,873	26,932,099	31,132,399
25	99,046	167,710	258,824	976,647	1,618,967	2,535,155
26	776,944	653,154	674,686	7,315,017	7,575,895	6,747,916
27	362,223	216,753	304,046	2,991,998	2,184,439	2,007,028
28	686,840	992,923	1,017,045	7,582,177	9,224,497	10,540,326
29	191,953	135,737	207,727	3,023,723	2,611,773	2,568,883
30	3,712,941	4,078,418	4,992,327	37,961,576	42,481,073	53,327,363
Total, Nos. 21 to 30	14,694,473	15,113,757	17,512,300	170,102,319	160,850,603	187,987,128
31	157,821	105,417	122,803	2,199,384	1,331,181	1,722,941
32	682,114	773,886	989,695	9,726,186	8,955,666	10,319,559
33	93,496	41,993	43,226	1,117,359	580,371	462,101
34	103,940	153,409	321,770	1,868,143	2,387,097	2,827,897
35	46,172	108,153	63,425	589,585	906,705	898,629
36	216,764	358,674	460,038	2,082,020	3,179,866	5,370,187
37	...	5,779	892	83,838	146,876	72,225
38	32,449	117,857	101,808	257,860	1,062,072	999,842
39	10,768	7,830	18,640	76,497	83,198	354,767
40	1,565,439	2,311,610	3,577,551	15,039,184	25,360,775	30,138,791
Total, Nos. 31 to 40	2,908,963	3,984,608	5,699,848	33,040,056	43,993,747	53,166,939
Above 40	1,113,330	2,330,451	2,386,530	12,293,244	23,707,463	29,578,382
Wastes, etc.	37,291	46,449	28,977	874,876	529,566	765,849
GRAND TOTAL	39,344,156	42,662,523	49,807,740	467,289,325	475,944,062	549,038,671

No. 3.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun—continued.

BOMBAY ISLAND

Count or Number	Month of March			Twelve months, April to March		
	1930	1931	1932	1929-30	1930-31	1931-32
1	40,167	164,856	120,504	2,331,584	1,114,204	2,196,067
2	320,035	512,159	539,849	5,075,581	3,916,338	5,563,967
3	163,398	115,552	116,473	1,168,050	1,125,704	1,415,842
4	391,744	485,524	379,770	5,253,755	4,884,035	5,276,351
5	8,308	64,637	13,959	342,150	590,026	477,390
6	431,743	354,451	228,542	5,013,740	4,427,773	3,801,519
7	798,593	1,423,213	1,195,830	11,116,383	14,338,154	13,273,420
8	530,461	329,184	197,893	5,033,240	6,750,724	5,283,176
9	611,746	420,885	572,821	6,523,435	6,733,400	6,066,425
10	967,686	623,506	874,372	11,177,485	9,758,128	9,144,024
Total, Nos. 1 to 10	4,263,881	4,493,967	4,240,013	53,035,403	53,638,486	52,498,182
11	572,864	728,722	361,301	7,891,810	7,085,767	6,806,133
12	890,166	811,320	501,787	10,912,247	11,007,132	7,778,210
13	539,151	976,967	1,199,886	7,601,814	8,633,936	9,043,267
14	902,206	793,896	928,489	9,112,200	10,223,376	12,050,363
15	809,599	823,201	816,844	7,701,625	8,697,731	9,112,701
16	428,047	529,673	911,511	7,670,176	6,713,876	10,227,655
17	451,861	712,344	914,964	4,922,598	5,156,866	8,641,514
18	530,822	627,933	797,877	7,751,521	6,658,463	10,760,747
19	85,965	13,310	15,230	1,092,759	426,662	323,808
20	3,483,210	3,177,993	4,313,950	41,234,611	36,208,674	46,377,202
Total, Nos. 11 to 20	8,693,891	9,195,359	10,761,839	105,891,361	100,812,483	121,121,630
21	1,801,138	2,302,857	2,847,283	19,817,229	18,131,796	27,248,957
22	1,822,079	1,793,221	2,218,934	23,024,792	20,454,078	22,752,505
23	38,657	41,138	104,174	1,216,366	397,672	893,807
24	1,825,138	1,801,271	1,938,434	22,536,826	20,915,547	24,657,005
25	56,831	116,906	245,277	628,997	974,290	2,220,573
26	381,921	250,446	282,438	3,547,276	3,314,993	3,172,291
27	173,537	90,701	105,045	1,869,392	1,047,049	965,212
28	310,036	498,533	533,531	3,187,346	4,568,821	5,003,225
29	32,896	18,591	8,523	393,368	297,233	185,416
30	960,502	1,342,046	1,565,657	9,494,376	12,863,490	17,668,660
Total, Nos. 21 to 30	7,402,735	8,255,710	9,849,296	85,715,968	82,764,969	104,772,651
31	33,343	38,424	34,047	357,562	369,330	545,570
32	291,252	568,769	689,606	3,604,540	5,809,217	7,250,123
33	67,669	...	...	678,873	232,704	10,920
34	50,276	107,290	227,562	747,979	1,370,258	1,952,269
35	...	39,735	953	...	198,095	213,459
36	99,020	273,054	333,243	831,258	2,022,764	4,181,860
37	...	...	...	...	...	...
38	5,977	23,249	27,520	60,289	354,051	349,865
39	10,768	7,830	5,904	76,497	78,466	106,244
40	870,004	1,140,348	1,877,816	6,717,238	12,236,284	14,867,704
Total, Nos. 31 to 40	1,428,309	2,198,699	3,196,651	13,074,236	22,671,169	29,478,014
Above 40	462,378	910,343	869,486	4,628,867	10,493,889	12,954,822
Wastes, etc.	36,976	46,118	28,977	870,909	525,637	764,546
GRAND TOTAL	22,288,170	25,100,196	28,946,262	263,216,744	270,906,633	321,589,845

Note.—The suburb of Coorla, in the Thana district, is treated for statistical purposes as part of the island of Bombay.

No. 13.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun—continued.

AHMEDABAD

Count or Number	Month of March			Twelve months, April to March		
	1930	1931	1932	1929-30	1930-31	1931-32
1	44,144	34,889	38,638	438,862	465,245	450,160
2	28,104	8,280	44,116	202,946	209,123	465,981
3	2,625	...	...	128,272	1,517	32,147
4	133,107	98,442	62,740	1,621,371	1,469,881	641,900
5	...	...	...	38,293	8,367	...
6	630	...	872	2,010	7,917	15,800
7	41,056	24,100	2,880	418,039	336,291	214,459
8	....	462	...	12,099	53,447	8,694
9	2,988	...	...	60,431	13,583	160
10	4,069	6,731	7,641	34,939	209,213	68,089
Total, Nos. 1 to 10	256,723	172,904	156,887	2,957,262	2,774,584	1,897,390
11	808	...	...	63,096	57,352	2,176
12	34,396	38,533	16,312	571,483	838,446	283,830
13	47,733	...	2,819	1,463,333	1,196,330	77,706
14	94,946	84,529	131,951	2,900,187	1,534,027	2,006,680
15	115,414	21,295	10,571	1,031,963	1,184,704	494,357
16	84,417	56,402	40,191	1,328,142	826,435	700,419
17	27,021	19,080	37,595	616,480	350,957	138,431
18	83,837	25,792	66,384	598,366	643,728	571,747
19	199,463	182,327	110,660	2,279,484	2,252,592	1,964,903
20	3,622,241	3,534,027	4,676,546	37,540,584	39,122,388	49,276,830
Total, Nos. 11 to 20	4,310,276	3,961,985	5,093,029	48,393,118	48,006,959	55,517,079
21	1,149,719	1,060,169	640,264	12,494,144	12,251,698	10,253,587
22	690,789	468,323	654,505	11,568,756	6,337,968	5,996,805
23	157,984	81,805	189,692	1,725,182	938,091	957,192
24	269,383	223,048	213,693	3,294,324	2,382,711	2,465,189
25	35,346	22,238	9,159	309,519	540,090	219,295
26	190,177	196,882	161,475	1,122,279	1,775,798	993,203
27	168,960	116,854	199,001	1,009,656	839,649	1,002,197
28	273,919	452,775	362,855	3,464,668	4,157,569	4,454,299
29	155,754	114,784	198,160	2,415,518	2,222,628	2,370,979
30	2,555,312	2,507,416	3,124,350	25,723,181	27,076,161	32,198,715
Total, Nos. 21 to 30	5,647,343	5,244,294	5,753,154	63,127,227	58,522,363	60,911,461
31	56,732	33,887	79,860	844,373	525,698	462,898
32	297,778	135,876	275,209	5,039,816	2,244,083	2,528,854
33	25,827	37,962	41,265	438,120	323,896	417,242
34	53,664	46,052	90,364	1,112,256	943,359	816,848
35	46,172	68,418	62,472	573,566	708,610	685,170
36	62,408	44,839	100,317	605,301	677,788	791,222
37	...	5,779	575	50,496	143,683	71,187
38	23,215	91,272	60,494	94,040	666,010	534,715
39	...	...	12,736	...	4,732	248,523
40	562,076	969,111	1,446,870	6,641,653	10,917,644	13,060,977
Total, Nos. 31 to 40	1,127,872	1,433,196	2,170,162	15,399,621	17,155,503	19,617,636
Above 40	471,360	1,178,892	1,360,979	5,899,594	10,647,819	14,420,395
Wastes, etc.	...	...	...	...	...	...
GRAND TOTAL	11,813,564	11,991,271	14,534,211	135,776,822	137,107,228	152,363,961

No. 3.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun—continued

MADRAS

Count or Number	Month of March			Twelve months, April to March		
	1930	1931	1932	1929-30	1930-31	1931-32
1	...	...	...	...	...	...
2	33,321	50,538	46,647	401,782	479,303	607,546
3	...	...	...	...	...	...
4	78,395	56,386	72,098	734,310	779,830	666,146
5	...	...	...	...	300	14,607
6	18,652	33,845	52,524	948,644	707,227	541,564
7	32,123	38,637	54,692	557,365	515,313	570,070
8	11,273	21,448	27,605	409,085	346,486	364,319
9	25,686	5,494	51,239	267,787	244,033	268,095
10	38,946	62,708	114,646	509,219	706,343	1,045,375
Total, Nos. 1 to 10	238,396	269,056	419,451	3,828,192	3,778,835	4,077,722
11	77,758	144,822	164,813	1,306,194	1,751,799	1,781,531
12	98,005	119,475	122,406	1,681,484	1,514,343	1,466,677
13	32,227	33,567	62,769	624,308	614,832	422,742
14	64,038	44,859	10,275	866,981	641,816	340,014
15	441,397	513,546	543,878	5,167,078	5,336,576	5,866,450
16	75,917	75,902	94,836	807,358	854,727	1,239,576
17	3,477	157	50,197	33,047	53,799	69,018
18	189,697	100,802	153,273	2,188,578	1,662,357	2,607,820
19	190,564	141,172	213,566	3,283,645	2,787,634	3,620,179
20	864,526	1,307,001	2,150,522	12,853,668	15,336,392	20,004,884
Total, Nos. 11 to 20	2,037,606	2,481,303	3,566,535	28,812,341	30,554,275	37,418,891
21	495,825	409,752	867,600	6,732,108	6,813,151	6,431,865
22	545,911	761,834	717,057	6,534,850	8,151,409	9,640,283
23	13,422	13,295	177,673	622,090	734,844	1,290,241
24	586,486	406,640	680,143	7,011,581	5,827,591	6,227,833
25	114,217	65,603	166,103	1,752,839	1,780,721	1,765,022
26	176,527	224,835	189,521	3,052,843	2,703,973	2,929,780
27	...	5,808	9,862	111,191	16,820	30,672
28	491,499	274,329	600,110	4,600,035	4,133,712	5,315,358
29	...	13,498	...	...	44,720	...
30	246,670	297,437	337,818	4,031,323	3,354,407	3,597,919
Total, Nos. 21 to 30	2,670,557	2,473,031	3,745,887	34,448,860	33,561,348	37,228,973
31	...	...	3,533	192	...	3,533
32	359,500	436,416	404,884	4,474,899	4,731,609	4,745,512
33	...	...	...	...	...	...
34	...	...	...	7,806	...	...
35	...	...	...	...	...	...
36	...	55	...	1,003	4,585	1,295
37	...	...	...	...	...	...
38	...	...	...	...	...	...
39	...	...	...	...	...	...
40	116,348	207,445	143,735	1,309,722	2,267,330	2,134,603
Total, Nos. 31 to 40	475,848	643,916	552,152	5,793,622	7,003,524	6,884,943
Above 40	13,362	44,484	30,941	300,793	632,221	461,492
Wastes, etc.	110,338	91,862	136,378	1,296,442	1,396,142	1,603,670
GRAND TOTAL	5,546,107	6,003,652	8,451,344	74,480,250	76,926,345	87,675,691

No. 3.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun—continued

BENGAL

Count or Number	Month of March			Twelve months, April to March		
	1930	1931	1932	1929-30	1930-31	1931-32
1	...	...	...	...	...	...
2	8,424	8,261	11,732	299,350	100,121	122,911
3	...	...	...	12,873	...	...
4	...	...	...	...	...	...
5	...	...	...	718	...	15,134
6	...	...	15,983	26,372	25,234	138,507
7	15,189	47,557	8,582	155,308	250,805	579,879
8	943	2,922	14,740	170,366	93,541	35,055
9	15,435	71,136	46,837	347,345	1,044,064	668,149
10	122,716	143,933	36,728	765,924	1,214,624	1,085,054
Total, Nos. 1 to 10	162,707	273,809	134,602	1,778,256	2,728,389	2,644,689
11	293,046	449,485	380,198	2,388,562	4,303,074	3,614,847
12	130,055	130,692	173,402	984,947	1,416,863	1,518,424
13	76,699	182,036	247,109	1,067,853	1,180,132	1,476,082
14	59,051	43,437	21,956	816,298	935,402	501,957
15	217,846	249,461	447,032	3,268,670	2,969,917	3,599,825
16	255,146	282,942	320,894	3,063,620	2,878,761	2,770,089
17	181,918	214,561	110,372	2,675,379	2,744,416	2,753,539
18	13,813	529	...	91,786	67,099	116,671
19	97,246	123,554	83,279	1,154,600	1,216,214	1,136,896
20	170,605	47,791	67,635	2,004,326	1,259,555	1,071,334
Total, Nos. 11 to 20	1,495,425	1,724,488	1,851,877	17,516,041	18,971,373	18,569,664
21	382,370	309,461	248,177	4,808,420	3,962,190	3,826,647
22	263,262	233,764	213,967	2,740,567	2,660,318	2,657,794
23	...	...	...	7,585	13,425	...
24	26,491	32,519	75,689	2,059,584	392,898	721,946
25	...	29,498	...	13,312	414,811	350,836
26	68,242	54,966	137,568	938,070	572,474	976,536
27	112,186	...	...	145,973	179,927	...
28	1,672	24,339	36,337	32,005	72,112	414,985
29	...	...	30,387	...	...	30,387
30	61,819	94,997	67,702	950,312	1,124,647	804,303
Total, Nos. 21 to 30	916,492	779,544	809,827	11,695,828	9,392,802	9,783,434
31	...	...	...	...	...	7,535
32	119,372	128,097	132,923	813,143	1,328,498	1,576,412
33	...	...	6,551	1,749	...	6,551
34	11,922	52,307	60,957	140,672	407,431	519,448
35	...	1,673	253	...	1,847	1,289
36	16,407	...	...	168,003	208,331	5,306
37	...	...	...	...	...	...
38	562	...	...	562	190,487	526
39	...	...	...	...	...	...
40	106,528	99,263	118,416	919,314	1,122,698	1,555,632
Total, Nos. 31 to 40	254,791	281,340	319,100	2,043,443	3,258,692	3,672,759
Above 40	38,144	45,746	102,202	429,040	471,756	1,004,859
Wastes, etc.	314,602	185,214	181,168	3,590,236	2,939,702	1,954,968
Grand Total	3,182,161	3,290,141	3,398,776	37,052,844	37,762,714	37,620,373

No. 3.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun—continued.

UNITED PROVINCES

Count or Number	Month of March			Twelve months, April to March		
	1930	1931	1932	1929-30	1930-31	1931-32
1	...	...	...	...	...	...
2	59,271	45,567	53,379	743,63	789,613	631,079
3	14,400	...	11,084	109,841	76,187	194,496
4	54,259	65,509	75,303	673,209	664,825	867,816
5	178,943	141,010	190,913	1,857,398	2,087,013	2,309,815
6	170,048	147,387	119,826	1,932,518	2,396,883	1,982,282
7	222,326	138,248	329,067	2,675,731	3,780,090	4,065,514
8	147,697	231,181	252,366	435,699	2,235,576	2,037,316
9	42,718	25,512	31,465	570,702	601,189	1,443,682
10	84,160	79,195	257,303	1,369,500	1,745,860	2,775,514
Total, Nos. 1 to 10	973,822	873,559	1,320,704	10,368,738	14,377,236	16,307,414
11	1,370,357	1,116,982	895,992	12,511,311	14,675,557	14,321,037
12	174,503	203,148	232,567	2,652,006	3,258,065	3,634,188
13	383,768	271,629	281,005	4,637,751	4,248,071	4,054,493
14	615,530	490,869	490,057	6,639,417	7,414,107	7,332,891
15	137,498	124,768	148,591	1,320,785	1,418,519	1,201,266
16	597,809	449,813	654,185	8,822,135	8,330,349	7,112,452
17	551,454	605,742	738,396	5,199,381	5,873,105	6,581,950
18	373,337	220,775	422,279	4,633,744	4,343,031	4,123,955
19	277,420	180,183	78,428	2,528,690	2,373,958	2,916,574
20	94,649	113,097	265,241	1,165,132	1,603,274	2,579,560
Total, Nos. 11 to 20	4,576,325	3,787,006	4,206,741	50,110,355	53,538,036	53,858,366
21	43,847	12,406	75,406	1,067,477	413,176	615,991
22	329,352	332,554	377,686	3,787,773	3,727,889	3,900,661
23	281,320	325,178	436,583	2,864,416	3,407,472	3,955,563
24	225,292	235,578	315,728	2,126,219	2,705,457	3,705,357
25	...	...	...	...	...	10,295
26	73,463	42,276	166,646	1,024,287	974,896	909,700
27	148,879	154,349	207,540	1,345,873	1,765,751	2,226,669
28	304	...	533	52,103	956	4,433
29	12,669	...	...	140,446	270,449	117,295
31	35,020	76,462	95,950	479,099	644,388	1,042,380
Total, Nos. 21 to 30	1,150,146	1,178,743	1,676,072	12,888,292	13,910,434	16,488,344
31	...	...	...	...	...	4,930
32	52,171	46,734	33,680	400,186	499,834	523,405
33	...	...	...	...	...	...
34	...	...	...	3,270	...	...
35	...	...	...	...	...	...
36	...	...	...	30,928	266	2,632
37	9,505	...	...	103,508	197,858	...
38	...	...	809	...	4,008	4,009
39	...	...	...	...	237	...
40	82,532	67,091	102,703	1,281,247	1,296,067	1,270,103
Total, Nos. 31 to 40	144,208	113,825	137,192	1,819,139	1,998,270	1,805,079
Above 40	45,385	71,715	111,651	1,124,324	1,042,903	1,199,335
Wastes, etc.	9,934	13,961	17,091	145,649	182,447	159,104
Grand Total	6,899,820	6,038,809	7,469,451	76,456,492	85,049,326	89,817,642

No. 3.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun—continued.

AJMER-MERWARA

Count or Number	Month of March			Twelve months, April to March		
	1930	1931	1932	1929-30	1930-31	1931-32
1	...	...	...	...	...	...
2	...	...	...	...	...	...
3	...	...	...	...	...	...
4	...	...	...	...	...	...
5	...	...	...	...	...	...
6	...	...	...	...	...	13,900
7	7,013	3,850	15,439	67,378	76,433	80,013
8	26,194	24,003	34,974	298,018	480,119	428,467
9	101,385	91,687	54,639	1,001,729	825,469	910,189
10	20,498	19,980	12,401	226,588	191,522	190,227
Total, Nos. 1 to 10	155,090	139,520	117,453	1,593,713	1,573,543	1,622,796
11	5,600	3,895	3,620	96,242	63,394	46,223
12	118,965	211,786	310,042	1,698,433	2,462,763	3,551,945
13	22,770	9,621	1,862	248,821	179,795	117,512
14	37,983	66,939	24,443	452,288	490,516	459,510
15	...	...	...	...	...	...
16	13,080	11,360	...	163,437	68,115	27,129
17	358	...	...	8,702	13,825	...
18	...	...	...	...	...	...
19	...	...	...	...	27,338	...
20	81,903	50,190	86,327	868,457	665,100	685,720
Total, Nos. 11 to 20	280,659	353,791	426,294	3,536,380	3,970,896	4,888,039
21	...	...	...	3,784	...	...
22	...	...	...	...	...	...
23	...	...	...	...	...	...
24	...	...	...	...	...	...
25	...	...	...	...	...	...
26	...	...	...	...	...	...
27	...	...	...	...	...	...
28	...	...	...	...	...	...
29	...	...	...	21,627	...	...
30	44,395	32,533	56,236	534,450	449,675	444,444
Total, Nos. 21 to 30	44,395	32,533	56,236	559,861	449,675	444,444
31	...	...	...	...	...	...
32	...	...	...	...	...	...
33	...	...	...	...	...	...
34	...	...	...	...	...	...
35	...	...	...	...	...	...
36	...	...	...	...	...	...
37	...	...	...	...	...	...
38	...	...	...	...	...	...
39	...	...	...	...	...	...
40	660	80	460	5,340	8,825	6,901
Total, Nos. 31 to 40	660	80	460	5,340	8,825	6,901
Above 40	...	...	...	...	...	...
Wastes, etc.	...	...	...	...	...	...
Grand Total	480,804	525,924	600,443	5,695,294	6,002,939	6,962,180

No. 3.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun—continued.

PUNJAB

Count or Number	Month of March			Twelve months, April to March		
	1930	1931	1932	1929-30	1930-31	1931-32
1	...	...	...	...	...	...
2	...	...	...	75	...	...
3	...	...	...	...	...	8,671
4	...	...	9,088	...	...	38,102
5	...	...	...	834	...	...
6	...	...	...	1,526	1,554	...
7	9,578	9,282	11,082	164,272	116,844	113,729
8	1,298	12,833	86,383	151,756	216,282	483,118
9	8,741	...	...	164,816	43,628	13,808
10	98,046	113,525	11,349	904,336	1,343,740	575,224
Total, Nos. 1 to 10	117,663	135,640	117,902	1,387,615	1,722,048	1,232,652
11	75,478	115,789	83,205	675,244	938,259	1,460,319
12	45,136	247	18,861	319,922	204,080	207,110
13	47,890	74,510	37,309	416,056	454,484	572,263
14	...	17,266	32,702	214,432	209,218	192,924
15	4,912	...	10	225,337	24,962	104,775
16	2,831	5,125	25,174	79,055	19,880	146,160
17	...	...	...	19,664	...	12,912
18	30,498	23,182	44,741	152,582	282,938	462,830
19	...	...	...	...	...	...
20	...	251	34,095	8,993	4,129	310,190
Total, Nos. 11 to 20	206,745	236,370	276,097	2,111,285	2,137,950	3,469,483
21	...	...	13,082	...	...	111,527
22	...	...	...	26,662	...	55,688
23	18,892	...	1,449	179,024	23,070	45,552
24	...	17,594	...	...	137,270	32,084
25	...	...	...	...	...	...
26	...	...	26,911	10,218	8,786	177,167
27	...	...	...	...	...	...
28	...	...	...	...	...	...
29	...	...	...	103	...	...
30	...	2,595	2,826	...	2,666	47,282
Total, Nos. 21 to 30	18,892	20,189	44,268	216,007	171,792	469,300
31	...	...	...	...	...	...
32	...	...	...	2,316	...	...
33	...	...	...	...	...	...
34	...	...	...	117	...	...
35	...	...	...	...	...	...
36	...	...	...	57	...	...
37	...	...	...	...	...	...
38	...	...	...	...	...	...
39	...	...	...	...	...	...
40	...	...	...	...	...	...
Total, Nos. 31 to 40	...	...	...	2,490	...	...
Above 40	...	...	...	...	...	...
Wastes, etc.	...	...	...	...	...	...
Grand Total	343,300	392,199	438,267	3,717,397	4,031,790	5,171,435

No. 3.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun—continued.

DELHI

Count or Number	Month of March			Twelve months, April to March		
	1930	1931	1932	1929-30	1930-31	1931-32
1	...	...	...	...	...	...
2	70,402	61,435	71,181	734,347	733,010	861,175
3	...	...	...	...	...	...
4	...	...	...	...	...	...
5	...	...	...	70,911	...	...
6	8,716	14,190	...	120,162	205,750	99,815
7	...	...	...	491	...	1,893
8	23,180	...	...	148,295	29,801	7,110
9	...	...	4,503	1,387	23,905	5,087
10	152,655	175,756	300,999	2,318,349	2,850,942	3,937,112
Total, Nos. 1 to 10	254,953	251,381	376,683	3,393,942	3,843,408	4,912,192
11	161,252	351,296	436,675	2,941,014	5,117,777	7,089,799
12	5,630	2,909	728	153 944	214,580	188,765
13	343,775	328,818	355,382	4,574,984	3,691,430	4,325,402
14	94,862	89,988	62,527	394,491	1,362,062	1,256,485
15	...	3,702	1,609	23,816	12,617	24,067
16	71,630	117,066	48,637	885,301	1,584,971	822,772
17	...	...	...	...	41,094	7,870
18	216,864	215,451	197,866	2,657,549	1,487,872	1,846,891
19	...	...	...	...	...	1,170
20	123,889	96,210	154,614	1,267,197	915,928	1,759,229
Total, Nos. 11 to 20	1,017,902	1,205,440	1,258,038	12,898,296	14,428,331	17,322,460
21	...	...	1,233	1,451	...	8,881
22	...	...	...	1,374	9,117	2,691
23	...	...	...	...	465	...
24	138,026	138,144	163,656	1,546,259	940,772	1,212,255
25	...	...	...	...	...	51,433
26	4,557	27,415	...	64,089	163,620	193,384
27	...	...	...	...	...	...
28	...	...	...	...	...	7,722
29	...	...	...	...	...	...
30	7,909	18,655	24,665	65,088	110,727	340,890
Total, Nos. 21 to 30	150,492	184,214	189,554	1,678,261	1,224,701	1,817,256
31	...	...	...	...	...	...
32	...	...	...	...	...	...
33	...	...	...	...	...	...
34	...	...	...	...	...	...
35	...	...	...	...	...	...
36	...	496	...	483	5,995	1,226
37	...	...	...	...	...	...
38	...	...	2,104	...	...	15,403
39	...	...	...	...	...	...
40	...	3,439	27,314	2,202	6,861	242,291
Total, Nos. 31 to 40	...	3,935	29,418	2,685	12,856	258,925
Above 40	...	...	18,843	433,393	...	84,794
Wastes, etc.	4,780	2,862	7,369	54,962	71,477	75,963
Grand Total	1,428,127	1,647,832	1,879,905	18,441,539	19 580,773	24,471,590

No. 3.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun—continued.

CENTRAL PROVINCES and BERAR

Count or Number	Month of March			Twelve months, April to March		
	1930	1931	1932	1929-30	1930-31	1931-32
1	725	...	22,319	64,996	86,703	160,543
2	37,161	59,304	51,912	646,503	730,959	718,057
3	11,585	17,806	13,452	174,608	153,247	172,595
4	13,997	...	13,025	251,303	245,773	28,289
5	...	366	...	...	38,746	7,485
6	4,945	2,087	8,104	225,315	147,323	109,007
7	127,169	334,739	142,069	3,062,800	3,433,241	3,327,189
8	2,859	12,718	19,127	140,908	383,318	317,661
9	298,324	341,870	230,016	3,863,989	3,368,949	3,536,594
10	73,985	88,207	69,795	866,105	934,475	838,712
Total, Nos. 1 to 10	570,750	867,097	569,819	9,296,527	9,522,734	9,216,132
11	208,364	227,271	241,224	2,672,151	3,302,565	2,852,586
12	288,478	247,928	337,717	3,388,607	5,318,301	3,959,377
13	254,063	331,474	322,038	3,463,858	2,805,449	3,595,827
14	239,640	184,960	161,701	2,219,326	2,182,300	2,143,407
15	158,791	98,971	237,409	2,313,872	1,626,997	1,653,621
16	166,735	157,790	151,621	2,227,401	1,997,374	1,886,077
17	114,896	122,374	104,278	1,731,129	1,416,295	1,340,159
18	96,516	131,476	89,435	1,488,378	1,560,054	1,645,454
19	9,738	1,249	888	70,432	108,101	4,336
20	460,051	452,173	436,222	5,584,896	5,031,779	5,460,819
Total, Nos. 11 to 20	1,997,272	1,955,606	2,082,593	25,160,050	25,349,215	24,541,663
21	229,854	157,509	179,585	2,866,377	2,077,798	1,961,257
22	104,113	104,820	70,407	1,199,488	1,173,621	954,366
23	...	...	...	...	...	1,384
24	298,105	276,201	249,094	3,374,403	3,244,995	3,090,585
25	...	18,813	36,181	5,760	141,401	304,243
26	51,156	37,934	67,038	717,066	700,541	852,172
27	5,761	535	...	23,152	10,230	17
28	41,529	46,307	49,636	449,424	601,306	676,179
29	...	...	...	...	2,557	...
30	23,266	22,099	56,644	314,621	382,744	418,518
Total, Nos. 21 to 30	753,784	664,218	708,585	8,950,291	8,335,193	8,258,721
31	...	...	...	...	...	...
32	16,295	34,401	23,714	497,254	458,841	407,864
33	...	...	...	...	...	...
34	21,597	27,335	36,272	261,995	348,416	388,241
35	...	...	...	...	...	...
36	1,084	5,449	7,326	56,644	67,798	62,414
37	...	...	...	...	...	...
38	...	5,372	4,467	...	27,998	53,550
39	...	...	625	...	...	1,720
40	9,580	41,566	23,363	150,975	241,890	269,627
Total, Nos. 31 to 40	48,556	114,123	95,767	966,868	1,144,943	1,183,416
Above 40	15,788	32,673	65,846	235,626	360,277	547,639
Wastes, etc.	23,917	39,094	24,619	501,146	390,149	395,419
Grand Total	3,410,067	3,672,811	3,547,229	45,110,508	45,102,511	44,142,990

No. 3.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun—continued.

BURMA

Count or Number	Month of March			Twelve months, April to March		
	1930	1931	1932	1929-30	1930-31	1931-32
1	...	...	...	...	...	...
2	...	...	...	...	...	...
3	...	...	...	...	...	...
4	...	...	...	2,203	...	...
5	...	...	11,349	47,921	40,386	64,593
6	...	...	...	...	...	...
7	7,651	8,303	...	33,975	58,188	42,025
8	...	...	...	...	...	...
9	...	...	...	...	...	...
10	...	...	...	...	...	...
Total, Nos. 1 to 10	7,651	8,303	11,349	84,099	98,574	106,618
11	236,500	157,925	181,975	1,941,729	2,431,875	2,087,328
12	...	...	...	...	...	...
13	28,925	78,350	77,625	154,424	411,850	647,775
14	...	...	...	...	...	...
15	...	22,900	...	334,637	192,025	230,800
16	...	...	...	...	...	...
17	...	16,350	18,850	60,685	80,466	186,175
18	...	...	...	...	...	...
19	...	...	...	...	...	...
20	...	...	...	...	...	...
Total, Nos. 11 to 20	265,425	275,525	278,450	2,491,475	3,166,216	3,152,078
21	...	...	...	...	...	...
22	...	...	...	...	...	...
23	...	...	...	...	...	...
24	...	...	...	...	...	...
25	...	...	...	...	...	...
26	...	...	...	...	...	...
27	...	...	...	...	...	...
28	...	...	...	...	...	...
29	...	...	...	...	...	...
30	...	...	...	...	...	...
Total, Nos. 21 to 30	...	...	...	...	...	...
31	...	...	...	...	...	...
32	...	...	...	...	...	...
33	...	...	...	...	...	...
34	...	...	...	...	...	...
35	...	...	...	...	...	...
36	...	...	...	...	...	...
37	...	...	...	...	...	...
38	...	...	...	...	...	...
39	...	...	...	...	...	...
40	...	...	...	...	...	...
Total, Nos. 31 to 40	...	...	...	...	...	...
Above 40	...	...	...	...	...	...
Wastes, etc.	...	...	...	...	...	...
Grand Total	273,076	283,828	289,799	2,575,574	3,264,790	3,258,696

No. 3.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun—concluded.

TOTAL OF BRITISH INDIA

Count or Number	Month of March			Twelve months, April to March		
	1930	1931	1932	1929-30	1930-31	1931-32
1	85,036	217,559	200,967	3,055,420	1,884,561	3,006,810
2	634,262	880,523	958,120	9,262,981	8,092,341	10,511,084
3	195,620	133,358	141,009	1,613,586	1,372,397	1,839,886
4	696,172	736,367	613,127	8,992,884	8,323,975	7,956,534
5	187,251	206,013	216,221	2,364,008	2,773,391	2,893,795
6	662,622	600,015	456,256	8,760,517	8,496,698	7,293,072
7	1,295,352	2,164,039	1,803,253	18,856,448	23,897,792	23,680,299
8	746,580	641,890	638,639	6,902,478	10,735,870	9,073,767
9	1,193,804	1,073,683	1,087,357	14,575,056	14,430,124	14,533,336
10	1,852,868	1,497,567	1,982,708	20,682,230	21,715,991	22,834,270
TOTAL, Nos. 1 to 10	7,549,567	8,151,014	8,097,657	95,065,608	101,723,140	103,622,853
11	3,264,403	3,479,160	2,995,012	35,140,574	44,124,926	44,819,358
12	1,856,633	1,913,694	1,790,789	23,727,003	27,761,003	23,821,633
13	1,965,481	2,627,853	2,955,122	27,084,517	27,548,476	28,258,452
14	2,211,334	1,955,702	1,947,044	25,250,448	26,654,284	28,123,696
15	1,932,616	1,970,497	2,297,510	22,148,572	22,893,729	24,003,490
16	1,900,870	1,932,865	2,551,028	27,873,031	26,014,509	28,337,462
17	1,424,345	1,795,283	2,060,013	16,105,920	16,827,957	20,725,301
18	1,664,847	1,510,420	1,885,718	21,448,356	18,545,388	23,969,703
19	1,008,692	657,384	529,687	11,645,787	9,651,809	10,173,954
20	10,169,722	10,031,280	14,085,093	119,856,314	114,878,521	145,015,330
TOTAL, Nos. 11 to 20.	27,398,923	27,874,138	33,097,016	330,280,522	334,900,602	377,248,379
21	4,539,490	4,625,165	5,321,922	54,180,490	48,292,104	55,730,854
22	4,109,886	3,986,321	4,708,524	53,837,346	47,400,517	50,984,573
23	531,339	493,787	937,670	6,816,918	5,697,184	7,873,022
24	3,666,829	3,531,038	3,953,744	44,977,919	40,181,082	46,122,459
25	213,263	281,624	461,108	2,748,558	3,955,900	5,016,984
26	1,150,889	1,040,580	1,262,370	13,121,590	12,700,185	12,786,655
27	629,049	377,445	521,448	4,618,186	4,157,167	4,264,386
28	1,221,834	1,337,898	1,703,661	12,715,744	14,032,583	16,959,003
29	204,622	149,235	238,114	3,185,899	2,929,499	2,716,565
30	4,132,020	4,623,136	5,634,168	44,337,069	48,550,327	60,023,099
TOTAL, Nos. 21 to 30	20,399,231	20,446,229	24,742,729	240,539,719	227,896,548	262,477,600
31	157,821	105,417	126,336	2,199,576	1,331,181	1,738,939
32	1,229,452	1,419,534	1,584,896	15,913,984	15,974,448	17,572,752
33	93,496	41,923	49,777	1,119,108	580,371	468,652
34	137,459	233,051	418,999	2,282,003	3,142,944	3,735,586
35	46,172	109,826	63,678	589,585	908,552	899,918
36	234,255	364,674	467,364	2,339,138	3,466,781	5,443,060
37	9,505	5,779	892	187,346	344,734	72,225
38	33,011	123,229	109,188	258,422	1,284,565	1,073,335
39	10,768	7,830	19,265	76,497	83,435	356,487
40	1,881,087	2,730,494	3,993,542	18,707,984	30,303,846	35,618,008
TOTAL, Nos. 31 to 40.	3,833,026	5,141,827	6,833,937	43,673,643	57,420,857	66,978,962
Above 40	1,226,009	2,525,069	2,716,013	14,816,420	26,214,620	32,876,501
Wastes, etc.	500,862	379,442	395,602	6,443,311	5,509,483	4,954,973
GRAND TOTAL	60,907,618	64,517,719	75,882,954	730,819,223	753,665,250	848,159,268

No. 4.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun.

INDIAN STATES (a)

Count or Number	Month of March			Twelve months, April to March		
	1930	1931	1932	1929-30	1930-31	1931-32
1	20,867	5,779	7,641	108,450	40,691	154,259
2	5,816	33,078	45,776	31,383	483,408	542,122
3	26,354	31,431	17,491	512,330	346,441	234,387
4	45,918	100,448	84,165	571,440	983,313	1,003,456
5	471	34	7,377	86,289	47,930	178,021
6	111,895	99,851	146,952	2,002,763	1,371,594	1,427,024
7	118,762	269,633	134,417	1,577,859	1,864,676	2,336,798
8	30,435	24,178	134,515	799,896	705,380	924,223
9	118,471	186,398	193,539	1,493,511	1,998,763	2,935,112
10	226,156	268,864	320,186	3,213,831	4,022,822	3,627,259
Total, Nos. 1 to 10	705,145	1,019,694	1,092,059	10,397,752	11,865,018	13,362,661
11	181,665	311,917	126,318	1,453,861	2,639,929	3,731,719
12	317,933	153,121	314,007	3,954,241	4,336,190	2,874,857
13	108,801	415,553	372,873	1,268,187	4,177,932	4,121,698
14	425,320	570,857	880,769	5,919,533	7,010,916	8,255,047
15	295,332	498,918	554,129	3,848,332	6,072,763	6,419,330
16	570,717	663,147	763,027	7,573,660	8,115,247	8,756,566
17	174,393	114,377	99,293	1,658,552	1,341,642	1,404,584
18	520,498	571,311	592,207	5,983,715	7,031,753	7,021,335
19	171,992	190,550	274,541	2,292,931	2,334,483	3,153,749
20	2,208,016	1,789,938	2,268,499	23,685,288	22,189,062	22,167,626
Total, Nos. 11 to 20	4,974,667	5,279,689	6,245,663	57,638,300	65,249,917	67,906,511
21	643,009	758,698	890,612	5,922,271	7,771,514	10,139,526
22	259,816	366,915	213,162	3,506,982	3,400,662	2,320,865
23	210,260	187,978	61,192	2,332,669	2,315,485	1,591,546
24	564,376	451,781	492,719	6,132,822	6,016,860	5,139,048
25	55,411	99,592	76,250	789,358	1,312,831	968,481
26	282,592	269,456	267,431	3,362,447	2,719,962	2,933,513
27	18,334	49,714	13,882	598,279	644,941	489,117
28	197,612	164,216	80,628	3,166,629	2,430,682	1,938,705
29	9,921	50,098	102,062	274,134	227,293	513,883
30	503,140	420,241	505,446	5,199,000	4,952,791	5,437,314
Total, Nos. 21 to 30	2,744,471	2,818,689	2,703,384	31,284,591	31,793,021	31,477,998
31	16,646	16,181	18,975	241,752	79,055	219,106
32	54,007	66,857	51,872	621,378	643,985	691,894
33	...	...	...	11,374	20,509	...
34	2,219	...	...	26,765	14,091	...
35	18,000	41,112	28,935	165,564	403,460	328,825
36	1,888	30,252	10,683	26,293	90,126	176,877
37	9,629	...	...	25,017	13,283	...
38	23,149	28,643	25,970	282,427	422,529	294,494
39	...	...	...	...	...	30,066
40	137,201	106,583	243,173	1,290,924	1,638,819	2,352,851
Total, Nos. 31 to 40	262,739	289,628	379,608	2,691,494	3,325,857	4,094,113
Above 40	42,357	113,030	117,207	461,919	1,096,211	1,124,862
Wastes, etc.	20,915	23,639	24,295	266,570	283,288	281,219
Grand Total	8,750,291	9,544,369	10,562,216	102,740,626	113,613,312	118,247,364

(a) See note at foot of Table No. 1.

No. 6.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun—concluded.

GRAND TOTAL, INDIA (British India and Indian States)

Count or Number	Month of March			Twelve months, April to March		
	1930	1931	1932	1929-30	1930-31	1931-32
1	105,903	223,338	208,608	3,163,870	1,925,252	3,161,069
2	840,078	913,601	1,003,896	9,294,364	8,575,749	11,053,206
3	221,974	164,789	158,560	2,125,916	1,718,838	2,074,273
4	742,090	836,815	697,292	9,564,324	9,307,288	8,959,990
5	187,722	206,047	223,598	2,450,297	2,821,321	3,071,816
6	774,517	699,866	603,208	10,763,280	9,868,292	8,720,096
7	1,414,114	2,433,672	1,937,670	20,434,307	25,762,468	26,017,097
8	777,015	666,068	773,154	7,702,374	11,441,250	9,997,990
9	1,312,275	1,260,081	1,280,896	16,068,567	16,428,887	17,468,448
10	2,079,024	1,766,431	2,302,894	23,896,061	25,738,813	26,461,529
Total, Nos. 1 to 10	8,254,712	9,170,708	9,189,716	105,463,360	113,588,158	116,985,514
11	3,446,068	3,791,077	3,121,330	36,594,435	46,764,855	48,551,077
12	2,174,566	2,066,815	2,104,795	27,681,244	32,097,193	26,696,490
13	2,074,262	3,043,406	3,327,995	28,352,704	31,726,408	32,380,150
14	2,636,654	2,526,559	2,827,813	31,169,981	33,665,200	36,378,743
15	2,227,948	2,469,415	2,851,639	25,996,904	28,966,492	30,422,820
16	2,471,587	2,596,012	3,314,055	35,446,691	34,129,756	37,094,028
17	1,598,738	1,909,660	2,159,306	17,764,472	18,169,599	22,129,885
18	2,185,345	2,081,731	2,477,925	27,432,071	25,577,141	30,991,038
19	1,180,634	847,934	804,228	13,938,718	11,986,292	13,327,703
20	12,387,738	11,821,218	16,353,592	143,541,602	137,067,583	167,182,956
Total, Nos. 11 to 20	32,373,590	33,153,827	39,342,679	387,918,823	400,150,519	445,154,890
21	5,182,499	5,383,863	6,212,534	60,102,761	56,063,618	65,870,380
22	4,369,702	4,353,236	4,921,686	57,344,328	50,801,179	53,305,438
23	741,599	681,765	998,862	9,149,587	8,012,669	9,464,568
24	4,231,205	3,982,819	4,446,463	51,110,741	46,197,942	51,261,507
25	268,674	381,216	537,358	3,537,916	5,268,731	5,985,465
26	1,433,481	1,310,036	1,529,801	16,484,037	15,420,147	15,720,168
27	647,383	427,159	535,330	5,216,465	4,802,108	4,763,503
28	1,419,456	1,502,114	1,784,289	15,882,373	16,463,265	18,897,708
29	214,543	199,333	340,176	3,460,033	3,156,792	3,236,448
30	4,635,160	5,043,377	6,159,614	49,536,069	53,503,118	65,460,413
Total, Nos. 21 to 30	23,143,702	23,264,918	27,446,113	271,824,310	259,689,569	293,955,598
31	174,467	121,598	145,311	2,441,328	1,410,236	1,958,045
32	1,283,459	1,486,391	1,636,768	16,535,362	16,618,433	18,264,646
33	93,496	41,993	49,777	1,130,482	600,880	468,652
34	139,678	233,051	418,999	2,308,768	3,157,035	3,735,586
35	64,172	150,938	92,613	755,149	1,312,012	1,228,743
36	236,143	394,926	478,047	2,365,431	3,556,907	5,619,937
37	19,134	5,779	892	212,363	358,017	72,225
38	56,160	151,872	135,158	540,849	1,707,094	1,367,829
39	10,768	7,830	19,265	76,497	83,435	386,553
40	2,018,288	2,837,077	4,236,715	19,998,908	31,942,665	37,970,859
Total, Nos. 31 to 40	4,095,765	5,431,455	7,213,545	46,365,137	60,746,714	71,073,075
Above 40	1,268,366	2,638,099	2,833,220	15,278,359	27,310,831	34,001,363
Wastes, etc.	521,777	403,081	419,897	6,709,881	5,792,771	5,236,192
Grand Total	69,657,912	74,062,088	86,445,170	833,559,849	867,278,562	966,406,634

No. 6.—DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured.

BOMBAY PRESIDENCY

Description		Month of March			Twelve months, April to March		
		1930	1931	1932	1929-30	1930-31	1931-32
Grey and bleached piece-goods—							
Chadars	pounds	1,217,598	592,137	713,435	14,957,669	11,895,881	11,541,557
	yards	3,628,154	3,023,344	2,173,513	43,704,058	33,674,240	32,135,656
Dhutis	pounds	9,866,098	8,354,233	9,613,753	105,363,720	108,052,854	123,224,573
	yards	50,450,957	42,915,315	52,306,614	540,654,515	576,815,527	672,532,361
Drills and Jeans	pounds	1,589,515	1,596,960	1,367,451	16,547,635	14,778,462	19,619,976
	yards	6,358,563	6,684,205	5,526,240	65,256,062	56,597,098	77,079,857
Cambrics and lawns	pounds	32,500	636,765	1,006,973	418,156	3,298,171	5,343,283
	yards	259,705	5,049,208	8,110,849	2,685,272	24,863,670	40,645,831
Printers	pounds	193,544	257,695	189,365	1,654,032	1,853,569	2,451,402
	yards	990,915	1,303,893	1,112,039	7,925,771	10,042,598	12,951,491
Shirtings and longcloth	pounds	8,420,407	10,993,248	13,232,809	98,868,979	114,302,342	141,118,671
	yards	38,835,755	50,584,054	60,439,536	452,627,813	524,950,768	640,780,293
T-cloth, domestics and sheetings	pounds	795,236	1,781,580	2,433,887	12,415,967	17,547,678	24,429,921
	yards	3,229,527	6,934,689	9,270,872	51,994,668	70,686,896	90,100,707
Tent-cloth	pounds	122,932	22,383	4,375	915,921	605,303	303,884
	yards	241,295	47,645	10,081	1,927,000	1,358,058	662,900
Khadi, Dungri or Khaddar	pounds	1,364,759	915,128	737,230	17,473,278	24,113,804	11,570,711
	yards	3,943,108	2,751,173	2,319,715	50,969,447	72,502,285	33,711,629
Other sorts	pounds	619,084	662,290	888,935	7,154,904	6,713,923	8,880,235
	yards	2,777,942	3,329,038	4,332,365	30,149,983	31,781,122	42,276,188
Total	pounds	24,221,673	25,812,419	30,188,213	275,770,294	303,161,987	348,484,213
	yards	110,715,921	122,622,564	145,661,824	1,247,894,089	1,403,266,262	1,642,876,913
Coloured piece-goods	pounds	8,500,770	8,067,642	9,719,194	93,444,931	83,896,326	104,933,048
	yards	45,186,166	42,532,239	53,669,426	477,031,107	426,527,116	545,423,306
Grey and coloured goods other than piece-goods	pounds	239,753	70,293	161,717	2,820,037	1,334,613	1,576,252
	dozens	69,410	29,498	52,688	822,874	425,455	509,761
Hosiery	pounds	26,755	46,155	42,434	446,209	392,676	359,437
	dozens	8,849	13,208	11,677	137,345	106,249	146,701
Miscellaneous	pounds	265,490	59,230	61,168	1,999,562	1,423,828	2,381,017
Cotton goods mixed with silk or wool	„	213,663	210,529	20,738	1,932,105	1,847,900	1,513,968
Grand Total	„	33,468,104	34,266,268	40,193,464	376,413,138	392,057,330	459,247,935
	yards	155,902,087	165,154,803	199,331,250	1,724,925,196	1,829,793,378	2,188,300,219
	dozens	78,289	42,706	64,365	960,219	531,704	656,462

No. 6.—DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured—continued

BOMBAY ISLAND

Description		Month of March			Twelve months, April to March		
		1930	1931	1932	1929-30	1930-31	1931-32
Grey and bleached piece-goods—							
Chadars	pounds	752,099	273,404	457,892	7,260,342	6,147,955	6,419,343
	yards	2,088,823	1,946,971	1,239,282	20,150,588	16,815,758	15,799,416
Dhutis	pounds	3,494,337	3,192,850	3,602,885	29,994,137	39,269,472	47,681,909
	yards	19,984,639	16,619,462	21,348,700	170,834,693	229,412,393	287,565,729
Drills and jeans	pounds	1,407,498	1,380,236	1,195,846	14,596,318	12,472,448	16,916,890
	yards	5,433,784	5,722,510	4,833,179	56,102,321	46,752,663	66,416,218
Cambrics and lawns	pounds	7,390	212,138	193,608	135,078	966,407	1,971,848
	yards	51,921	1,659,349	1,492,498	797,275	7,511,763	14,536,295
Printers	pounds	15	...	55,235	5,308	2,356	334,908
	yards	72	...	325,412	26,180	12,842	1,980,094
Shirtings and longcloth	pounds	5,613,409	7,166,174	9,563,316	61,914,734	71,470,781	96,865 367
	yards	26,554,687	32,033,910	43,359,326	289,041,369	327,617,084	435,548,139
T-cloth, domestics and sheetings	pounds	545,496	1,378,464	1,967,192	6,959,609	12,263,109	19,740,042
	yards	1,818,805	4,760,119	7,030,564	25,720,475	45,522,061	66,534,261
Tent cloth	pounds	110,507	15,850	1,547	790,474	536,360	271.502
	yards	217,103	33,839	3,134	1,642,780	1,202,994	575,489
Khadi, Dungri or Khaddar	pounds	1,159,186	694,602	512,142	12,138,867	19,016,888	8,080,555
	yards	3,345,042	2,111,170	1,698,048	36,106,242	57,510,261	24,447,928
Other sorts	pounds	336,629	300,526	453,295	3,799,896	3,174,434	4,401,156
	yards	1,337,992	1,422,787	1,962,640	14,927,828	14,146,871	19,654,498
TOTAL	pounds	13,426,566	14,614,244	18,002,958	137,589,853	165,320,210	202,683.520
	yards	60,832,868	66,310,117	83,292,783	615,349,751	746,504,696	933,053,067
Coloured piece-goods	pounds	4,677,919	4,116,106	4,642,502	55,470,781	44,665,619	56,657,649
	yards	24,106,496	21,167,214	24,827,047	273,594,564	221,081,329	283,833,299
Grey and coloured goods, other than piece-goods	pounds	233,560	47,529	126,691	2,585,066	988,615	1,248,401
	dozens	67,052	16,841	28,423	707,769	305,233	350,435
Hosiery	pounds	7,331	5,534	2,632	102,892	51,268	71,502
	dozens	5,578	5,427	1,972	69,948	54,792	83,668
Miscellaneous	pounds	230,524	3,681	53,116	1,366,794	830,567	1,808,346
Cotton goods mixed with silk or wool	,,	79,464	209,999	19,873	798,652	1,182,557	1,425,107
GRAND TOTAL	,,	18,655,364	18,997,093	22,847,772	197,914,939	213,038,836	263,894,525
	yards	84,939,364	87,477,331	108,119,830	888,944,315	967,586,025	1,216,886,366
	dozens	72,630	22,268	30,395	777,717	340,025	434,103

NOTE.—The suburb of Coorla, in the Thana district, is treated for statistical purposes as part of the Island of Bombay.

No. 6.—DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured—continued

AHMEDABAD

Description		Month of March			Twelve months, April to March		
		1930	1931	1932	1929-30	1930-31	1931-32
Grey and bleached piece-goods—							
Chadars	pounds	396,398	241,334	183,905	5,899,828	4,378,895	3,806,390
	yards	1,369,146	870,219	771,658	18,481,396	13,647,845	13,180,759
Dhutis	pounds	5,205,256	3,894,757	4,797,785	61,793,752	56,508,384	61,329,449
	yards	25,105,165	20,467,821	25,364,112	306,269,776	290,145,589	319,779,276
Drills and jeans	pounds	111,087	94,590	113,647	1,348,590	1,665,405	1,536,073
	yards	521,930	447,136	521,584	5,881,675	6,959,065	6,815,056
Cambrics and lawns	pounds	15,687	378,222	710,219	192,757	1,686,099	2,887,120
	yards	148,188	3,022,078	5,820,171	1,307,381	12,614,925	22,272,266
Printers	pounds	79,408	225,935	69,568	609,675	1,043,957	1,311,714
	yards	455,274	1,731,500	431,857	3,183,894	5,891,529	6,918,062
Shirtings and longcloth	pounds	2,284,851	3,032,080	2,768,994	29,614,753	35,149,405	34,556,860
	yards	10,554,340	15,622,453	13,927,191	138,603,343	170,492,943	170,891,725
T-cloth, domestics, and sheetings	pounds	140,433	246,280	251,694	3,737,751	3,314,869	2,473,761
	yards	986,114	1,554,129	1,620,140	19,433,100	17,754,771	15,650,893
Tent-cloth	pounds	...	...	...	28,293	315	5,844
	yards	...	...	...	96,200	1,200	27,520
Khadi, Dungri or Khaddar	pounds	42,206	15,463	8,060	1,860,174	1,456,737	108,555
	yards	142,415	58,959	22,025	5,965,921	4,869,788	327,779
Other sorts	pounds	170,640	250,161	320,182	2,134,708	2,591,132	3,271,959
	yards	920,482	1,317,740	1,800,868	10,187,523	12,884,801	16,691,255
TOTAL	pounds	8,445,966	8,378,822	9,224,054	107,220,281	107,795,198	111,286,725
	yards	40,203,054	44,492,035	50,579,606	509,410,209	535,262,456	572,554,591
Coloured piece-goods	pounds	2,802,037	3,199,045	4,165,890	24,178,870	28,253,400	37,000,348
	yards	16,007,714	17,881,974	24,259,161	139,619,562	156,331,361	208,680,960
Grey and coloured goods, other than piece-goods	pounds	1,395	11,413	20,134	95,952	215,636	174,524
	dozens	1,202	7,433	18,260	55,109	70,203	106,239
Hosiery	pounds	19,424	40,619	39,802	343,317	340,872	287,711
	dozens	3,271	7,780	9,705	67,397	71,289	62,986
Miscellaneous	pounds	34,757	55,491	7,050	561,049	509,822	443,860
Cotton goods mixed with silk or wool	„	133,771	146	278	1,129,207	660,765	83,662
GRAND TOTAL	„	11,437,350	11,685,536	13,457,208	133,528,676	137,775,693	149,276,830
	yards	56,210,768	62,374,009	74,838,767	649,029,771	691,593,817	781,235,551
	dozens	4,473	15,213	27,965	122,506	141,492	169,225

No. 6.—DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured—continued.

MADRAS

Description		Month of March			Twelve months, April to March		
		1930	1931	1932	1929-30	1930-31	1931-32
Grey and bleached piece-goods—							
Chadars	pounds	41,318	15,748	53,266	482,624	432,314	392,172
	yards	97,225	36,427	152,835	1,242,035	967,352	928,218
Dhutis	pounds	189,499	216,326	181,119	1,951,340	2,416,363	2,621,022
	yards	1,154,907	1,273,967	923,552	10,882,767	13,862,503	13,791,358
Drills and jeans	pounds	46,994	92,691	95,031	600,241	537,277	571,225
	yards	132,716	250,819	232,675	1,611,262	1,483,282	1,487,130
Cambrics and lawns	pounds	...	...	...	...	...	...
	yards	...	...	...	...	...	...
Printers	pounds	...	...	...	...	...	...
	yards	...	...	...	...	...	...
Shirtings and longcloth	pounds	316,807	116,614	301,257	3,251,440	1,820,111	3,388,697
	yards	1,179,321	525,257	1,294,190	12,905,301	7,550,460	13,835,913
T-cloth, domestics, and sheetings	pounds	21,619	4,510	5,189	206,406	160,259	173,147
	yards	66,846	14,775	16,336	512,755	1,020,420	443,000
Tent-cloth	pounds	...	...	6,587	387	173	13,133
	yards	...	...	9,473	704	280	18,857
Khâdi, Dungri or Khaddar	pounds	11,505	52,405	116,702	1,201,398	1,169,218	1,176,675
	yards	17,251	112,520	218,059	2,155,639	2,137,500	2,333,672
Other sorts	pounds	19,224	22,274	8,774	149,312	220,354	94,365
	yards	20,385	51,341	85,557	109,037	183,730	331,466
TOTAL	pounds	646,976	520,568	772,925	7,843,148	6,856,069	8,430,436
	yards	2,668,651	2,265,106	2,932,680	29,419,500	27,205,587	33,172,604
Coloured piece-goods	pounds	888,637	823,854	999,239	10,728,829	10,540,380	11,123,968
	yards	2,942,705	2,722,714	3,261,764	34,635,903	34,005,836	35,644,338
Grey and coloured goods, other than piece-goods	pounds	52,984	41,276	26,152	557,418	585,516	356,779
	dozens	12,294	9,517	4,964	131,441	130,985	82,562
Hosiery	pounds	36,135	65,201	89,423	471,844	498,040	670,064
	dozens	15,071	19,123	20,127	138,995	144,709	171,984
Miscellaneous	pounds	455	930	2,846	7,205	6,080	121,964
Cotton goods mixed with silk or wool	"	86,377	98,848	128,271	1,105,957	1,181,676	1,070,431
GRAND TOTAL	"	1,711,564	1,550,667	2,018,856	20,714,401	19,667,761	21,773,642
	yards	5,611,356	4,987,820	6,194,444	64,055,403	61,211,423	68,816,942
	dozens	27,365	28,640	25,091	270,436	275,694	254,546

No. 6.—DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured—continued

BENGAL

Description		Month of March			Twelve months, April to March		
		1930	1931	1932	1929-30	1930-31	1931-32
Grey and bleached piece-goods—							
Chadars	pounds	5,601	2,143	2,091	320,130	268,347	183,643
	yards	15,515	7,012	8,250	1,030,806	823,764	616,345
Dhutis	pounds	952,181	1,159,796	1,214,874	8,990,130	11,779,831	13,166,845
	yards	4,669,492	5,619,722	6,289,657	43,979,585	56,514,889	65,053,453
Drills and jeans	pounds	...	108	...	12,451	125	22,664
	yards	...	340	...	49,949	381	88,236
Cambrics and lawns	pounds	...	...	...	177	2,405	...
	yards	...	...	...	1,163	13,430	...
Printers	pounds	...	...	...	...	138	...
	yards	...	...	...	...	700	...
Shirtings and longcloth	pounds	92,178	146,021	136,730	2,310,702	1,657,708	2,095,991
	yards	392,385	582,022	624,430	10,505,867	6,585,909	8,908,954
T-cloth, domestics, and sheetings	pounds	2,063	3,623	186	43,972	11,347	13,313
	yards	12,643	15,198	893	277,382	50,031	56,555
Tent-cloth	pounds	...	...	...	...	...	4,438
	yards	...	...	...	...	...	8,682
Khadi, Dungri or Khaddar	pounds	1,773	48,201	35	436,699	1,410,397	198,740
	yards	5,136	129,414	96	1,250,472	3,613,736	528,518
Other sorts	pounds	63	2	1,336	8,266	5,521	17,931
	yards	391	14	13,52	34,093	28,225	175,345
TOTAL	pounds	1,053,859	1,359,894	1,355,252	12,122,527	15,235,319	15,703,565
	yards	5,095,562	6,353,722	6,936,846	57,129,317	67,631,065	75,436,088
Coloured piece-goods	pounds	87,018	67,520	61,214	1,227,476	842,263	750,584
	yards	425,700	353,940	272,902	6,036,937	3,978,700	3,927,969
Grey and coloured goods other than (piece-goods)	pounds	...	287	25,720	...	476	39,628
	dozens	...	98	7,389	...	103	10,165
Hosiery	pounds	47,834	30,868	46,263	705,771	482,814	586,427
	dozens	12,262	8,234	13,075	179,517	127,411	162,663
Miscellaneous	pounds	18,826	8,873	19,168	251,725	150,204	110,401
Cotton goods mixed with silk or wool	"	2,685	3,974	2,575	49,366	36,377	13,370
GRAND TOTAL	"	1,210,222	1,471,516	1,510,192	14,356,865	16,747,953	17,203,375
	yards	5,521,262	6,707,662	7,209,748	63,166,254	71,609,765	79,364,057
	dozens	12,262	8,332	20,464	179,517	127,514	172,828

No. 6.—DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured—continued

UNITED PROVINCES

Description		Month of March			Twelve months, April to March		
		1930	1931	1932	1929-30	1930-31	1931-32
Grey and bleached piece-goods—							
Chadars	pounds	66,796	23,761	90,827	1,189,816	1,506,925	1,712,904
	yards	143,700	43,681	181,186	2,355,272	3,191,172	4,168,781
Dhutis	pounds	1,185,841	1,071,835	1,851,625	13,770,851	14,960,974	18,941,413
	yards	5,519,795	4,872,617	8,382,414	64,050,479	69,469,337	86,668,609
Drills and jeans	pounds	51,892	76,363	103,908	1,377,568	1,248,467	1,016,409
	yards	146,560	200,774	257,457	4,187,370	3,593,412	2,906,703
Cambrics and lawns	pounds	40	54,189	11,590	44,660	414,139	315,490
	yards	160	293,144	65,388	187,984	1,990,948	1,693,155
Printers	pounds	25,946	22,484	42,718	303,581	278,906	349,933
	yards	80,408	84,949	158,555	1,105,228	1,015,431	1,320,552
Shirtings and longcloth	pounds	201,324	131,381	173,664	3,204,726	3,593,334	2,346,747
	yards	800,068	596,077	692,627	12,372,976	13,903,720	9,200,354
T-cloth, domestics, and sheetings	pounds	595,591	623,070	644,581	6,223,582	7,495,034	8,261,443
	yards	2,046,621	2,158,989	2,282,825	21,081,435	25,146,008	28,842,342
Tent-cloth	pounds	35,336	23,144	34,970	653,028	414,987	324,520
	yards	69,172	50,859	67,900	1,379,297	939,193	620,582
Khadi, Dungri or Khaddar	pounds	3,430	20,516	17,769	118,199	642,557	208,862
	yards	17,965	54,559	53,461	341,348	1,549,791	616,363
Other sorts	pounds	18,580	31,887	19,489	438,876	383,825	442,974
	yards	60,547	139,010	71,877	1,926,075	1,721,113	2,083,119
TOTAL	pounds	2,184,776	2,078,630	2,991,141	27,324,887	30,939,148	33,920,695
	yards	8,884,996	8,494,659	12,213,690	108,987,464	122,520,125	138,120,560
Coloured piece-goods	pounds	199,540	89,064	127,859	2,077,324	1,817,920	1,413,715
	yards	882,798	407,599	611,079	8,931,916	7,481,006	6,080,982
Grey and coloured goods other than piece-goods	pounds	71,318	47,086	70,352	781,726	839,085	839,514
	dozens	17,985	10,900	14,657	159,168	165,568	162,739
Hosiery	pounds	10,606	8,898	4,778	99,411	143,713	131,237
	dozens	5,290	3,550	1,923	46,471	59,086	55,593
Miscellaneous	pounds	9,963	7,325	6,158	44,773	189,504	62,102
Cotton goods mixed with silk or wool	"	...	605	...	11,159	25,065	2,588
GRAND TOTAL	"	2,476,203	2,231,608	3,200,288	30,339,280	33,954,435	36,369,851
	yards	9,767,794	8,902,258	12,824,769	117,919,380	130,001,131	144,201,542
	dozens	23,275	14,450	16,580	205,639	224,654	218,332

No. 6.—DETAILED STATEMENT of the QUANTITY (in pounds) and their equivalent (in yards) and DESCRIPTION of WOVEN GOODS Manufactured—continued.

AJMER-MERWARA

Description		Month of March			Twelve months, April to March		
		1930	1931	1932	1929-30	1930-31	1931-32
Grey and bleached piece-goods—							
Chadars	pounds	3,933	6,853	18,647	121,024	80,912	119,460
	yards	6,072	11,068	85,486	221,492	143,516	315,143
Dhutis	pounds	89,914	49,195	69,819	963,581	917,714	752,330
	yards	353,552	206,377	289,657	4,115,045	3,980,766	3,287,455
Drills and jeans	pounds	...	...	...	...	...	...
	yards	...	...	...	...	...	...
Cambrics and lawns	pounds	...	...	...	...	274	...
	yards	...	...	...	...	1,627	...
Printers	pounds	8,519	1,425	5,922	109,075	34,115	5,922
	yards	24,910	6,965	26,460	308,116	157,618	26,460
Shirtings and longcloth	pounds	27,330	33,605	37,124	510,307	267,920	321,505
	yards	99,882	155,298	240,378	2,418,907	1,437,339	1,929,924
T-cloth, domestics, and sheetings	pounds	3,458	...	337	103,797	10,826	805
	yards	17,115	...	1,690	465,769	49,850	3,665
Tent cloth	pounds	...	...	...	...	...	...
	yards	...	...	...	...	...	...
Khadi, Dungri or Khaddar	pounds	205,823	289,665	393,084	2,393,847	3,328,659	4,481,296
	yards	675,934	957,658	1,369,174	7,642,302	10,511,699	14,876,859
Other sorts	pounds	9,780	6,415	9,103	117,517	96,316	96,829
	yards	...	...	...	64,411	5,058	...
TOTAL	pounds	348,757	387,158	534,036	4,319,148	4,736,736	5,778,147
	yards	1,177,465	1,337,366	2,012,845	15,236,042	16,287,473	20,439,506
Coloured piece-goods	pounds	5,169	8,265	10,486	51,989	50,065	84,418
	yards	41,935	82,051	102,787	417,007	472,585	834,969
Grey and coloured goods other than piece-goods	pounds	111	...	...	2,121	3,027	813
	dozens	40	...	...	524	795	199
Hosiery	pounds	...	...	...	...	...	...
	dozens	...	...	...	...	...	...
Miscellaneous	pounds	...	...	...	...	...	...
Cotton goods mixed with silk or wool	„	4,096	...	425	47,700	15,475	2,824
GRAND TOTAL	„	358,133	395,423	544,947	4,420,958	4,805,303	5,866,202
	yards	1,219,400	1,419,417	2,115,632	15,653,049	16,760,058	21,274,475
	dozens	40	...	...	524	795	199

No. 6.—DETAILED STATEMENT of the QUANTITY (in pounds) and their equivalent (in yards) and DESCRIPTION of WOVEN GOODS Manufactured—continued

PUNJAB

Description		Month of March			Twelve months, April to March		
		1930	1931	1932	1929-30	1930-31	1931-32
Grey and bleached piece-goods—							
Chadars	pounds	22,659	31,451	30,687	264,786	176,234	402,864
	yards	62,824	78,052	68,986	816,049	504,685	938,977
Dhutis	pounds	13,260	13,316	39,555	84,456	140,950	389,173
	yards	58,766	49,431	146,368	329,296	593,025	1,434,796
Drills and jeans	pounds	...	...	...	26	5,769	3,102
	yards	...	...	...	80	19,390	9,880
Cambrics and lawns	pounds	431	...	...	728	2,593	360
	yards	3,022	...	...	5,225	19,147	2,609
Printers	pounds	...	...	...	...	13,542	...
	yards	...	...	...	...	62,445	...
Shirtings and longcloth	pounds	5,103	1,316	59,948	6,124	63,043	400,080
	yards	20,589	5,559	322,172	25,532	267,927	2,140,413
T-cloth, domestics, and sheetings	pounds	...	...	...	2,419	2,361	670
	yards	...	...	...	4,462	10,760	1,164
Tent cloth	pounds	...	...	3,522	...	...	15,909
	yards	...	...	6,448	...	...	28,771
Khadi, Dungri or Khaddar	pounds	41,293	50,836	66,177	650,129	667,535	715,790
	yards	145,563	190,040	241,199	2,315,640	2,072,148	2,424,232
Other sorts	pounds	...	...	...	10,474	39,834	64,153
	yards	...	...	...	44,489	166,428	288,284
TOTAL	pounds	82,746	96,919	199,889	1,019,142	1,111,866	1,992,101
	yards	290,764	323,082	785,173	3,540,773	3,715,955	7,269,126
Coloured piece-goods	pounds	8,436	2,979	3,763	69,242	75,025	54,027
	yards	50,802	16,482	21,639	397,057	380,054	305,955
Grey and coloured goods other than piece-goods	pounds	4,652	733	1,576	6,113	6,396	9,718
	dozens	1,076	138	364	1,261	2,091	1,684
Hosiery	pounds	...	1,563	2,190	...	8,210	12,688
	dozens	...	1,470	2,160	...	7,492	12,908
Miscellaneous	pounds	...	...	1,125	...	...	1,125
Cotton goods mixed with silk or wool	"	60	341	243	132	2,731	5,956
GRAND TOTAL	"	95,894	102,535	206,786	1,094,629	1,204,228	2,075,615
	yards	341,566	339,564	806,812	3,937,830	4,096,009	7,575,081
	dozens	1,076	1,608	2,524	1,261	9,583	14,592

No. 6.—DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured—continued.

DELHI

Description		Month of March			Twelve months, April to March		
		1930	1931	1932	1929-30	1930-31	1931-32
Grey and bleached piece-goods—							
Chadars	pounds	218,126	197,625	89,364	2,455,811	2,475,616	3,289,074
	yards	521,418	502,895	283,942	6,134,505	6,046,589	8,368,724
Dhutis	pounds	381,298	420,106	228,254	3,715,933	4,126,302	5,843,928
	yards	1,420,028	1,473,084	654,668	13,915,615	14,394,271	20,100,880
Drills and jeans	pounds	23,763	13,322	482,893	231,882	124,819	539,325
	yards	81,872	49,075	1,630,739	909,072	433,893	1,823,285
Cambrics and lawns	pounds	...	5,442	7,408	36	19,057	27,303
	yards	...	48,580	36,684	270	157,626	249,714
Printers	pounds	...	...	...	...	...	...
	yards	...	...	...	...	...	...
Shirtings and longcloth	pounds	105,100	66,514	87,889	1,450,575	539,421	635,060
	yards	465,263	274,060	317,305	6,099,582	2,192,669	2,447,764
T-cloth, domestics, and sheetings	pounds	12,775	20,804	262,586	188,530	372,273	3,499,876
	yards	43,252	71,784	1,028,174	594,606	1,264,990	12,307,501
Tent-cloth	pounds	60,953	37,515	45,290	722,650	816,565	723,804
	yards	157,909	96,810	107,134	1,926,323	2,031,684	1,729,536
Khadi, Dungri or Khaddar	pounds	295,482	384,027	228,877	5,531,563	7,248,537	4,455,235
	yards	913,940	1,272,589	730,177	16,903,371	22,535,890	13,007,672
Other sorts	pounds	12,251	27,880	14,654	295,952	398,587	362,288
	yards	45,692	128,066	69,256	762,975	1,189,149	1,293,831
TOTAL	pounds	1,109,748	1,173,235	1,447,215	14,592,931	16,121,177	19,375,893
	yards	3,649,374	3,916,943	4,858,079	47,246,319	50,246,764	61,328,907
Coloured piece-goods	pounds	137,711	262,682	202,484	1,302,054	1,616,574	2,214,517
	yards	946,268	1,402,167	1,163,734	6,586,898	7,648,523	10,103,385
Grey and coloured goods other than piece-goods	pounds	4,544	2,104	11,275	43,396	47,604	67,112
	dozens	1,523	361	3,825	15,422	14,514	14,981
Hosiery	pounds	...	...	...	...	...	...
	dozens	...	...	...	...	...	...
Miscellaneous	pounds	...	...	...	...	...	...
Cotton goods mixed with silk or wool	„	...	...	...	217	70	...
GRAND TOTAL	„	1,252,003	1,438,021	1,660,974	15,938,598	17,785,423	21,657,522
	yards	4,595,642	5,319,110	6,021,813	53,833,217	57,895,287	71,432,292
	dozens	1,523	361	3,825	15,422	14,514	14,981

No. 6.—DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured—continued.

CENTRAL PROVINCES and BERAR

Description		Month of March			Twelve months, April to March		
		1930	1931	1932	1929-30	1930-31	1931-32
Grey and bleached piece-goods—							
Chadars	pounds	34,055	18,817	50,658	933,534	693,468	773,039
	yards	95,734	54,415	149,868	2,366,363	1,752,072	2,044,496
Dhutis	pounds	563,170	699,736	694,412	7,059,625	7,792,103	8,976,441
	yards	2,289,361	2,916,203	3,087,307	29,932,754	32,900,058	37,536,499
Drills and jeans	pounds	122,100	73,704	53,172	1,189,524	905,952	619,638
	yards	500,123	275,286	243,590	4,726,204	3,470,856	2,450,993
Cambrics and lawns	pounds	1,185	11,843	3,185	12,706	28,231	54,640
	yards	7,832	65,998	17,140	78,956	171,360	324,270
Printers	pounds	99,721	38,374	21,456	564,696	274,664	421,061
	yards	540,105	206,394	116,524	2,993,224	1,441,096	2,196,592
Shirtings and longcloth	pounds	116,480	107,773	151,840	1,418,548	1,210,403	1,729,201
	yards	522,021	480,931	608,104	5,958,975	5,353,432	7,488,354
T-cloth, domestics, and sheetings	pounds	47,084	120,900	50,091	701,372	1,001,544	1,086,505
	yards	210,740	443,938	190,455	3,029,088	3,988,600	4,064,176
Tent-cloth	pounds	13,923	32,953	49,048	405,049	670,021	438,312
	yards	33,972	90,964	112,814	910,245	1,845,205	1,068,355
Khadi, Dungri or Khaddar	pounds	137,908	107,675	127,833	2,094,524	2,634,202	1,802,236
	yards	405,598	334,286	358,635	6,210,899	7,709,961	5,101,328
Other sorts	pounds	25,325	49,838	16,798	308,717	498,089	380,994
	yards	114,137	215,543	75,463	1,325,244	2,277,547	1,750,514
TOTAL	pounds	1,160,951	1,261,613	1,218,496	14,688,295	15,708,677	16,282,067
	yards	4,719,623	5,083,958	4,959,900	57,531,952	60,910,187	64,025,577
Coloured piece-goods	pounds	360,790	400,459	349,315	5,858,896	5,293,018	4,238,603
	yards	1,505,604	1,647,418	1,541,304	24,078,480	21,087,260	17,631,114
Grey and coloured goods other than piece-goods	pounds	18,161	10,485	16,495	288,789	209,773	131,049
	dozens	1,569	1,500	1,290	26,844	24,194	21,123
Hosiery	pounds	...	...	...	...	...	...
	dozens	...	...	...	...	...	...
Miscellaneous	pounds	45,570	49,609	48,665	506,805	436,442	449,109
Cotton goods mixed with silk or wool	„	...	...	...	78	...	...
GRAND TOTAL	„	1,585,472	1,722,166	1,632,971	21,342,863	21,647,910	21,100,828
	yards	6,225,227	6,731,376	6,501,204	81,610,432	81,997,447	81,656,691
	dozens	1,569	1,500	1,290	26,844	24,194	21,123

No. 6.—DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured—concluded.

TOTAL OF BRITISH INDIA

Description		Month of March			Twelve months, April to March		
		1930	1931	1932	1929-30	1930-31	1931-32
Grey and bleached piece-goods—							
Chadars	pounds	1,610,086	888,535	1,053,975	20,725,394	17,629,697	18,414,713
	yards	4,570,642	3,756,894	3,104,066	57,870,580	47,103,390	49,516,340
Dhutis	pounds	13,241,261	11,984,543	13,893,411	141,899,635	150,187,091	173,915,725
	yards	65,916,858	59,326,716	72,140,237	707,860,056	768,530,376	900,408,411
Drills and jeans	pounds	1,834,264	1,853,148	2,102,455	19,959,327	17,600,871	22,392,339
	yards	7,219,834	7,460,499	7,890,704	76,739,999	65,598,315	85,846,084
Cambrics and lawns	pounds	34,156	708,239	1,029,156	476,463	3,764,870	5,741,076
	yards	270,719	5,456,930	8,230,061	2,958,870	27,217,808	42,915,579
Printers	pounds	327,730	319,978	259,461	2,631,414	2,454,934	3,228,318
	yards	1,636,338	1,602,201	1,413,578	12,332,339	12,719,888	16,495,095
Shirtings and longcloth	pounds	9,284,729	11,596,472	14,181,261	111,021,401	123,454,287	152,035,952
	yards	42,315,284	53,203,258	64,538,742	502,914,453	562,242,224	686,731,969
T-cloth, domestics, and sheetings	pounds	1,477,826	2,554,487	3,396,857	19,886,045	26,701,322	37,465,680
	yards	5,626,744	9,639,373	12,791,245	77,960,165	102,211,355	135,819,110
Tent-cloth	pounds	233,144	115,995	143,792	2,697,038	2,507,049	1,824,000
	yards	502,348	286,278	313,850	6,143,569	6,174,420	4,137,683
Khadi, Dungri or Khaddar	pounds	2,061,973	1,868,453	1,687,710	29,899,637	41,214,909	24,609,545
	yards	6,124,495	5,802,239	5,290,516	87,789,118	122,633,070	72,600,273
Other sorts	pounds	704,317	800,586	959,089	8,484,018	8,356,449	10,339,769
	yards	3,019,094	3,863,012	4,648,038	34,416,307	37,352,372	48,198,737
TOTAL	pounds	30,809,486	32,690,436	38,707,167	357,680,372	393,871,479	449,967,117
	yards	137,202,356	150,397,400	180,361,037	1,566,985,456	1,751,783,418	2,042,669,281
Coloured piece-goods	pounds	10,188,071	9,722,465	11,473,554	114,760,741	104,131,571	124,812,880
	yards	51,981,978	49,164,610	60,644,635	558,115,305	501,581,080	619,952,018
Grey and coloured goods other than piece-goods	pounds	391,523	172,354	313,287	4,499,600	3,026,490	3,020,265
	dozens	103,927	52,012	85,177	1,157,534	763,705	803,214
Hosiery	pounds	121,330	152,685	185,088	1,723,235	1,525,453	1,759,848
	dozens	41,472	45,585	48,962	502,328	444,947	549,849
Miscellaneous	pounds	340,304	125,967	139,130	2,810,070	2,206,058	3,125,718
Cotton goods mixed with silk or wool	„	306,881	314,297	152,252	3,146,714	3,109,294	2,609,137
GRAND TOTAL	„	42,157,595	43,178,204	50,970,478	484,620,732	507,870,345	585,294,965
	yards	189,184,334	199,562,010	241,005,672	2,125,100,761	2,253,364,498	2,662,621,299
	dozens	145,399	97,597	134,139	1,659,862	1,208,652	1,353,063

No. 7.—DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured.

INDIAN STATES (a)

Description		Month of March			Twelve months, April to March		
		1930	1931	1932	1929-30	1930-31	1931-32
Grey and bleached piece-goods—							
Chadars	pounds	159,675	100,592	127,360	3,040,083	2,802,067	2,750,384
	yards	389,885	247,815	299,527	8,169,741	6,849,181	6,209,695
Dhutis	pounds	1,454,563	1,137,315	1,233,775	15,333,917	14,093,825	14,398,252
	yards	6,316,336	4,846,336	5,422,836	68,167,454	62,874,653	64,131,780
Drills and jeans	pounds	458,641	337,575	553,896	5,063,642	3,436,392	3,849,127
	yards	2,131,899	1,422,950	2,593,756	23,557,056	15,140,519	17,386,919
Cambrics and lawns	pounds	8,721	100	17,238	97,028	304,916	65,977
	yards	56,686	650	104,939	630,678	1,639,181	409,244
Printers	pounds	101,326	134,862	65,958	1,515,511	1,363,485	1,240,478
	yards	447,131	681,557	319,641	7,122,628	6,386,232	5,490,645
Shirtings and longcloth	pounds	1,484,695	1,835,040	2,314,411	19,252,637	17,862,723	24,214,791
	yards	6,506,583	8,260,175	10,473,100	82,310,694	79,980,659	104,173,083
T-cloth, domestics, and sheetings	pounds	316,511	475,182	305,495	3,847,137	5,598,358	5,039,346
	yards	1,050,854	1,754,627	1,100,130	12,705,148	19,688,813	18,588,520
Tent-cloth	pounds	31,177	19,812	22,082	493,855	892,115	249,519
	yards	87,793	59,436	66,246	1,485,791	2,563,637	760,286
Khadi, Dungri or Khaddar	pounds	844,355	1,487,711	1,347,564	13,313,651	19,003,903	16,961,268
	yards	2,430,376	4,201,262	3,779,530	36,845,460	52,579,893	46,900,696
Other sorts	pounds	156,426	55,859	151,535	2,120,780	1,095,280	1,279,945
	yards	476,470	217,992	491,081	6,940,695	4,004,054	4,884,256
TOTAL	pounds	5,016,090	5,584,048	6,139,314	64,078,241	66,453,064	70,049,087
	yards	19,894,013	21,692,800	24,650,786	247,935,345	251,706,822	268,435,124
Coloured piece-goods	pounds	1,039,274	1,141,193	1,300,190	11,098,177	13,386,654	13,808,406
	yards	4,635,765	5,013,345	5,621,129	45,944,943	56,061,715	58,834,678
Grey and coloured goods, other than piece-goods	pounds	3,395	2,367	22,480	36,420	152,176	217,431
	dozens	315	500	2,969	7,244	15,660	28,130
Hosiery	pounds	9,697	12,883	20,568	199,781	142,381	214,396
	dozens	5,735	5,184	7,568	74,025	54,736	72,511
Miscellaneous	pounds	197,545	172,659	31,031	1,989,545	2,019,140	2,235,692
Cotton goods mixed with silk or wool	„	10,225	60,069	83,326	213,812	334,204	436,084
GRAND TOTAL	„	6,336,226	6,973,219	7,596,909	77,615,976	82,487,619	86,961,996
	yards	24,529,778	26,706,145	30,271,915	293,880,288	307,768,537	327,269,802
	dozens	6,050	5,684	10,537	81,269	70,396	100,641

(a) See notes at foot of Table No. 2.

No. 8.—DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured.

GRAND TOTAL INDIA (British India and Indian States).

Description		Month of March			Twelve months, April to March		
		1930	1931	1932	1929-30	1930-31	1931-32
Grey and bleached piece-goods—							
Chadars	pounds	1,769,761	989,127	1,181,335	23,765,477	20,431,764	21,165,097
	yards	4,960,527	4,004,709	3,403,593	66,040,321	53,952,571	55,726,035
Dhutis	pounds	14,695,824	13,121,858	15,127,186	157,233,552	164,280,916	188,313,977
	yards	72,233,194	64,173,052	77,563,073	776,027,510	831,405,029	964,540,191
Drills and jeans	pounds	2,292,905	2,190,723	2,656,351	25,022,969	21,037,263	26,241,466
	yards	9,351,733	8,883,449	10,484,460	100,297,055	80,738,834	103,233,003
Cambrics and lawns	pounds	42,877	708,339	1,046,394	573,491	4,069,786	5,807,053
	yards	327,405	5,457,580	8,335,000	3,589,548	28,856,989	43,324,823
Printers	pounds	429,056	454,340	325,419	4,146,925	3,818,419	4,468,796
	yards	2,083,469	2,283,758	1,733,219	19,454,967	19,106,120	21,985,740
Shirtings and longcloth	pounds	10,769,424	13,431,512	16,495,672	130,274,038	141,317,010	176,250,743
	yards	58,821,867	61,463,433	75,011,842	585,225,147	642,222,883	790,905,052
T-cloth, domestics, and sheetings	pounds	1,794,337	3,029,669	3,702,352	23,733,182	32,299,680	42,505,026
	yards	6,677,598	11,394,000	13,891,375	90,665,313	121,900,368	154,407,630
Tent-cloth	pounds	264,321	135,807	165,874	3,190,893	3,399,164	2,073,519
	yards	590,141	345,714	380,096	7,629,360	8,738,057	4,897,969
Khadi, Dungri or Khaddar	pounds	2,906,328	3,356,164	3,035,274	43,213,288	60,218,812	41,570,813
	yards	8,554,871	10,003,501	9,070,046	124,634,578	175,212,963	119,500,969
Other sorts	pounds	860,743	856,445	1,110,624	10,604,798	9,451,729	11,619,714
	yards	3,495,564	4,081,004	5,139,119	41,357,002	41,356,426	52,582,993
TOTAL	pounds	35,825,576	38,274,484	44,846,481	421,758,613	460,324,543	520,016,204
	yards	157,096,369	172,090,200	205,011,823	1,814,920,801	2,003,490,240	2,311,104,405
Coloured piece-goods	pounds	11,287,345	10,863,658	12,773,744	125,858,918	117,518,225	138,621,286
	yards	56,617,743	54,177,955	66,265,764	604,060,248	557,642,795	678,786,696
Grey and Coloured goods, other than piece-goods	pounds	394,918	174,721	335,767	4,536,020	3,178,666	3,237,696
	dozens	104,242	52,512	88,146	1,164,778	779,365	831,344
Hosiery	pounds	131,027	165,568	205,656	1,923,016	1,667,834	1,974,144
	dozens	47,207	50,769	56,530	576,353	499,683	622,360
Miscellaneous	pounds	537,849	298,626	170,161	4,799,615	4,225,193	5,362,410
Cotton goods mixed with silk or wool	„	317,106	374,366	235,578	3,360,526	3,443,498	3,045,221
GRAND TOTAL	„	48,493,821	50,151,423	58,567,387	562,236,708	590,357,964	672,256,961
	yards	213,714,112	226,268,155	271,277,587	2,418,981,049	2,561,133,035	2,989,891,101
	dozens	151,449	103,281	144,676	1,741,131	1,279,048	1,453,704

MGIPC—S3—II-1-15—23-6-32—735.

[Compiled in the Office of the Director-General of Commercial Intelligence and Statistics, India, Calcutta.]

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Progress of Cotton Mills in the Island of Bombay only since 1890.

Years ending 30th June	Number of Mills.	Number of Spindles.	Number of Looms.	Average No. of Hands employed daily.	Approximate quantity of Cotton consumed. Cwts.	Bales of 392 lbs.
1890 ..	70	18,95,660	13,785	59,139	22,26,819	6,36,234
1891 ..	67	19,09,123	14,347	61,981	26,68,967	7,62,562
1892 ..	68	19,34,736	14,900	63,087	25,50,958	7,28,588
1893 ..	69	20,41,208	16,564	67,870	25,34,910	7,24,260
1894 ..	69	20,27,374	18,265	70,553	23,57,896	7,30,656
1895 ..	69	21,23,892	20,217	75,749	28,53,879	8,15,394
1896 ..	71	21,80,323	21,333	78,455	29,73,873	8,49,678
1897 ..	73	21,87,425	21,287	69,530	24,59,646	7,02,756
1898 ..	82	22,26,982	21,379	70,728	28,50,048	8,17,328
1899 ..	82	24,10,801	22,209	77,169	33,47,800	9,56,800
1900 ..	82	25,36,891	22,215	72,914	26,06,800	7,44,800
1901 ..	81	25,71,092	22,414	82,162	24,35,153	6,95,758
1902 ..	80	25,23,769	22,845	86,122	34,33,825	9,87,378
1903 ..	80	25,33,382	23,112	86,913	34,31,798	9,80,228
1904 ..	79	25,34,230	24,136	89,913	34,04,569	9,72,734
1905 ..	81	25,60,916	28,073	92,924	37,53,582	10,72,452
1906 ..	84	26,14,323	28,778	1,00,798	39,94,424	11,41,264
1907 ..	85	26,13,483	31,982	98,101	39,03,125	11,15,750
1908 ..	86	27,34,083	35,967	1,01,530	37,77,170	10,79,194
1909 ..	89	28,00,345	39,264	1,05,731	38,45,464	10,98,704
1910 ..	89	28,24,046	41,951	1,04,550	34,44,203	9,84,058
1911 ..	87	28,00,590	42,467	1,04,390	33,37,963	9,53,459
1912 ..	86	28,85,452	43,388	1,09,591	37,71,636	10,77,616
1913 ..	90	29,25,966	45,250	1,10,933	37,34,735	10,72,210
1914* ..	85	30,09,172	48,845	1,09,860	37,73,133	10,78,038
1915* ..	86	29,94,367	51,846	1,11,924	35,91,175	10,26,050
1916* ..	86	29,84,575	53,205	1,18,303	38,36,609	10,96,174
1917* ..	87	29,33,715	57,991	1,25,713	39,71,849	11,34,814
1918* ..	87	28,52,648	59,162	1,24,199	37,39,722	10,68,492
1919* ..	85	29,34,476	60,778	1,26,368	34,09,146	9,99,736
1920* ..	83	29,64,526	60,634	1,40,208	33,59,025	9,57,150
1921* ..	83	30,25,488	62,763	1,47,749	37,12,093	10,60,598
1922* ..	82	31,17,284	65,521	1,49,224	37,59,693	10,74,198
1923* ..	81	33,49,082	68,946	1,48,771	37,08,705	10,59,630
1924* ..	82	34,27,621	71,133	1,48,414	38,73,131	8,21,466
1925* ..	82	34,50,233	72,266	1,53,099	34,81,562	9,94,732
1926* ..	83	34,72,644	73,701	1,49,069	37,22,895	7,77,970
1927* ..	83	34,60,826	74,345	1,54,398	34,80,750	9,94,500
1928* ..	82	34,51,176	74,825	1,29,975	19,99,968	5,68,848
1929* ..	81	34,47,433	79,375	1,06,710	22,08,423	6,30,978
1930* ..	81	34,30,733	76,697	1,36,774	39,71,222	8,77,492
1931*	81	34,27,000	76,975	1,29,657	29,37,848	8,39,388

Progress of Cotton Mills in the Presidency of Bombay other than those in the Island of Bombay since 1890.

Years ending 30th June	Number of Mills.	Number of Spindles.	Number of Looms.	Average No. of Hands employed daily.	Approximate quantity of Cotton consumed. Cwts.	Bales of 392 lbs.
1890 ..	24	4,55,068	3,950	14,070	4,05,132	1,15,752
1891 ..	24	4,51,047	4,140	16,140	4,56,833	1,30,518
1892 ..	28	4,45,402	4,217	14,864	4,23,157	1,20,902
1893 ..	29	4,56,003	4,761	16,095	3,95,528	1,13,008
1894 ..	30	5,30,354	6,028	18,702	4,97,364	1,42,104
1895 ..	33	5,82,818	7,189	22,007	5,55,443	1,58,698
1896 ..	38	5,87,800	7,538	23,738	6,28,845	1,79,670
1897 ..	47	6,61,970	7,706	27,285	7,09,938	2,00,268
1898 ..	51	7,36,962	8,067	28,540	7,52,717	2,15,062
1899 ..	52	9,04,048	8,436	33,467	8,84,345	2,52,670
1900 ..	54	9,10,480	8,698	33,487	7,89,015	2,25,090
1901 ..	54	9,35,228	9,222	34,334	7,50,029	2,14,294
1902 ..	54	9,53,912	9,545	36,646	9,55,010	2,72,860
1903 ..	54	9,71,120	9,825	37,113	9,90,278	2,71,508
1904 ..	54	10,31,425	10,149	38,417	9,82,674	2,80,764
1905 ..	59	10,75,413	11,016	40,755	10,36,224	2,96,064
1906 ..	70	11,15,053	12,534	43,324	11,51,479	3,28,994
1907 ..	73	11,80,230	14,018	44,753	11,36,062	3,21,732
1908 ..	85	13,81,145	19,134	52,679	12,41,891	3,54,826
1909 ..	96	15,04,230	22,230	56,408	13,47,766	3,85,076
1910 ..	98	15,45,178	23,549	55,251	12,55,572	3,61,592
1911 ..	95	16,30,382	25,023	55,373	13,19,931	3,76,866
1912 ..	96	16,53,258	25,733	58,863	14,10,493	4,02,998
1913 ..	96	16,84,331	28,223	63,378	14,42,070	4,12,020
1914* ..	98	17,45,522	33,391	68,295	15,17,201	4,33,486
1915* ..	98	18,09,365	33,542	71,777	15,26,630	4,36,180
1916* ..	95	17,95,521	33,545	72,083	15,68,427	4,48,122
1917* ..	90	17,80,979	33,597	67,373	14,31,738	4,09,068
1918* ..	91	17,94,190	34,198	71,747	13,94,460	3,97,560
1919* ..	89	18,00,581	34,310	76,999	14,46,564	4,13,304
1920* ..	91	18,09,713	34,982	78,043	14,04,900	4,01,400
1921* ..	93	18,44,756	35,832	88,807	16,14,711	4,61,346
1922* ..	119	20,11,602	40,532	94,780	16,90,880	4,85,680
1923* ..	125	21,91,480	44,519	91,966	16,26,058	4,64,588
1924* ..	124	22,86,040	45,862	93,175	17,12,563	4,89,018
1925* ..	124	23,68,718	46,512	95,365	18,02,213	5,14,918
1926* ..	126	24,18,407	48,408	99,092	19,54,176	5,58,336
1927* ..	128	24,20,349	48,243	1,03,060	19,68,785	5,62,510
1928* ..	131	24,29,874	51,399	1,02,464	20,18,821	5,76,806
1929* ..	138	26,03,765	56,332	1,07,505	22,42,966	6,40,856
1930* ..	139	27,42,059	59,111	1,15,714	24,39,962	6,97,132
1931*	137†	28,03,233	61,178	1,21,300	25,33,048	7,23,728

*Year ending 31st August.

† *Does not include* 13 *mills in course of erection.*

NAMES OF MILLS.	NAMES OF AGENTS OR OWNERS AND OFFICE ADDRESSES.	SITUATION OF MILLS.	CAPITAL. Number of Shares.	CAPITAL. Nominal value of each Share.	CAPITAL. Total amount of Capital paid up.	NUMBER OF SPINDLES. Mule.	NUMBER OF SPINDLES. Ring.	NUMBER OF SPINDLES. Total.	Average Number of Spindles at work daily.	Number of Looms.	Average Number of Looms at work daily.	Approximate quantity of Cotton consumed during the year in candies of 784 lbs.	Average Number of Hands employed daily.	Total Number of days worked from 1st Sept. 1930 to 31st Aug. 1931.	REMARKS.
BOMBAY ISLAND.				Rs.	Rs.										
1. Apollo Mills, Ltd.	Messrs. E. D. Sassoon & Co., Ltd., Agents, 15, Dougall Road, Ballard Estate, Fort, Bombay.	DeLisle Road	50,000	50	25,00,000	1,966	46,712	48,678	35,532	896	636	7,972	1,425	309	
2. Assur Veerjee Mills, Ltd.	Mr. Khimjee Assur Veerjee, Chairman of the Trustees of the Debenture Holders, 320, Mint Road, Fort, Bombay.	Sun Mills, Road, Lower Parel.	Ord. 20,000 I. Pref. 90,000 II. 1,10,000	5 10 5	13,24,213	10,720	29,008	39,728	31,617	732	612	4,439	1,680	..	
3. Atlas Mills Company, Ltd., (formerly Emperor Edward Spinning and Manufacturing Co., Ltd).	Messrs. B. D. Petit Sons & Co., Agents, 7/11, Elphinstone Circle, Fort, Bombay.	Reay Road, Mazagon ..	14,000	250	3,32,600	..	46,452	46,452	20,426	1,383	599	3,252	1,422	278	
4. Bombay Cotton Manufacturing Company, Ltd. ..	Messrs. Hormusji Sons & Co., Agents, Commissariat Building, Hornby Road, Fort, Bombay.	Kala Chowki Road, Chinchpookly.	Ord. 2,377 Pref. 1,05,227	500 10	22,44,770	1,152	31,480	32,632	30,397	784	689	5,158	1,739	302	
5. Bombay Dyeing and Mfg. Co., Ltd. (Spring Mills)	Messrs. Nowroji Wadia & Sons, Agents, Neville House, Graham Road, Ballard Estate, Fort, Bombay.	Naigaum Road, Dadar.	..	..	1,09,848	1,09,848	1,03,801	3,116	2,973	16,125	4,521	309	
6. Bombay Dyeing and Mfg. Co., Ltd. (Textile Mills)		Elphinstone Road, Parel.	25,600	250	62,74,500	800	70,976	71,776	67,557	1,734	1,654	10,380	2,977	303	
7. Bombay Industrial Mills Co., Ltd. (formerly Lord Reay Mills).	Messrs. W. H. Brady & Co., Ltd., Managing Agents, Royal Insurance Buildings, 12/14, Churchgate St., Fort, Bombay.	Tulsi Pipe Road, Ferguson Road, Lower Parel.	Ord. 19,975 Pref. 3,40,000	5	17,90,875	4,448	19,584	24,032	..	363	440	..	440	92	Spindles were not working during the period.
8. Bradbury Mills, Ltd.	Messrs. Currimbhoy Ebrahim & Sons, Ltd., Agents, 12/14, Outram Road, Fort, Bombay.	Ripon Road, Jacob Circle.	Ord. 4,000 Pref. 6,000	250 250	25,00,000	11,512	25,152	36,664	25,628	848	792	5,280	1,512	Spg. 295 W vg. 291	
9. Century Spinning and Manufacturing Co., Ltd. (Century Mill).	Messrs. C. N. Wadia & Co., Agents, Neville House, Currimbhoy Road, Ballard Estate, Fort, Bombay.	Junction of DeLisle Road and Elphinstone Road.	20,000	100	18,50,000	..	53,188	53,188	51,419	2,552	2,322	7,093	2,669	304	
10. Century Spinning and Manufacturing Co., Ltd. (Zenith Mill).						12,788	34,448	67,236	51,568	578	392	7,477	1,527	304	
11. Colaba Land and Mill Company, Ltd.	Messrs. W. H. Brady & Co., Ltd., Agents,														

THE
' Association,
MBAY.

WEAVING MILLS WORKING
AND
ERECTION IN INDIA
ON
GUST, 1931.
ART I.
& ISLAND OF BOMBAY
AND
RSE OF ERECTION.

Cotton Spinning and Weaving Mills Working on the 31st August 1931.

	Where situated.	Number of Mills.	Number of Spindles.	Number of Looms.	Average No. of Hands employed.	Approximate quantity of Cotton consumed. Cwts.	Approximate quantity of Cotton consumed. Bales of 3½ cwt.	REMARKS.
1	Bombay City and Island (a)	81	34,27,000	76,073	1,09,057	29,37,858	8,39,388	(a) 8 Mills not working.
2	Ahmedabad (b)	70	17,43,523	40,022	60,502	14,48,328	4,13,808	(b) 3 Mills not working.
3	Other Mills in Bombay Presidency (c)	61	11,19,710	21,136	31,738	10,84,720	3,09,920	(c) 7 Mills not working.
	Total ..	218	62,90,233	1,38,153	2,00,357	54,70,906	15,63,116	
4	Rajputana	3	61,216	1,178	2,805	1,04,182	30,052	
5	Berar	4	64,720	1,349	2,205	85,932	24,552	
6	Central Provinces	8	3,01,232	5,820	10,074	3,83,026	1,09,436	
7	Hyderabad (Nizam's Territory)	5	1,03,352	1,647	4,434	82,670	23,620	
8	Central India (d)	13	2,98,074	8,156	17,611	5,46,210	1,56,060	(d) 1 Mill not working.
9	Bengal Presidency (e) ..	17	3,01,083	4,870	14,887	3,54,564	1,01,304	(e) 3 Mills not working.
10	Punjab (f)	10	1,48,386	3,607	7,825	2,73,328	78,148	(f) 1 Mill not working.
11	United Provinces (g) ..	23	6,56,850	8,688	26,514	8,24,327	2,35,522	(g) 1 Mill not working.
12	Madras Presidency (h) ..	27	7,09,203	5,201	31,744	8,38,817	2,39,662	(h) 1 Mill not working.
13	Mysore	5	1,42,340	2,040	7,837	1,50,024	42,864	
14	Pondicherry	3	72,944	1,749	3,302	70,140	20,040	
15	Burma	1	12,320	..	820	30,800	8,800	
	GRAND TOTAL ..	*339	93,11,053	1,82,429†	3,95,475	92,16,116	26,33,176	

Note :—For periods closed, see remarks column.

* This number does not include 24 mills which have either been registered or are in course of erection.
† The spindles and looms of the 24 Mills in course of erection are not included.

Progress of Cotton Mills in the Island of Bombay and the Presidency since 1889.

Years ending 30th June.	Number of Mills.	Number of Spindles.	Number of Looms.	Average No. of Hands employed daily.	Approximate quantity of Cotton consumed. Cwts.	Approximate quantity of Cotton consumed. Bales of 392 lbs.
1890 ..	94	23,50,728	17,573	73,209	26,31,951	7,51,986
1891 ..	91	23,60,179	18,487	78,121	31,23,780	8,93,080
1892 ..	96	23,80,178	19,117	79,953	29,73,215	8,49,490
1893 ..	98	24,09,211	21,425	83,065	29,30,438	8,37,268
1894 ..	99	25,63,728	24,284	89,315	30,34,600	8,67,260
1895 ..	102	27,06,710	27,406	97,747	34,09,322	9,74,092
1896 ..	109	27,74,129	28,873	1,02,193	36,02,715	10,29,349
1897 ..	122	28,49,395	28,963	96,815	31,60,584	9,03,024
1898 ..	133	29,63,944	29,449	99,274	36,13,365	10,32,390
1899 ..	134	33,14,909	39,647	1,16,936	42,12,145	12,03,470
1900 ..	136	34,47,371	36,013	1,06,491	33,56,715	9,70,490
1901 ..	135	35,06,320	31,636	1,16,316	31,85,182	9,10,052
1902 ..	134	34,27,681	32,390	1,22,768	44,10,833	12,60,238
1903 ..	134	33,64,502	37,050	1,24,020	44,02,079	12,57,736
1904 ..	133	35,65,055	34,285	1,28,332	43,87,243	12,53,498
1905 ..	140	36,30,329	39,089	1,33,679	47,89,806	13,68,516
1906 ..	142	37,89,376	41,312	1,44,110	51,45,993	14,70,284
1907 ..	158	38,02,713	40,900	1,42,854	50,31,187	14,37,482
1908 ..	171	41,19,828	55,101	1,54,213	50,19,070	14,34,020
1909 ..	185	43,04,575	61,494	1,62,189	51,93,239	14,83,780
1910 ..	187	43,60,244	63,871	1,59,801	47,09,773	13,45,636
1911 ..	182	45,20,972	67,492	1,59,873	46,50,106	13,30,318
1912 ..	182	45,38,710	69,121	1,68,494	51,82,149	14,80,614
1913 ..	186	46,10,117	73,473	1,73,411	51,94,805	14,84,230
1914* ..	183	47,54,604	82,436	1,78,155	52,00,334	13,11,524
1915* ..	184	48,03,932	85,388	1,83,701	51,17,805	14,62,230
1916* ..	181	47,80,006	68,750	1,90,380	54,05,036	15,44,296
1917* ..	177	47,14,754	91,518	1,91,066	54,03,587	15,43,882
1918* ..	178	46,76,838	93,350	1,95,749	50,06,728	14,30,208
1919* ..	176	47,35,057	95,068	2,03,367	49,45,710	14,13,060
1920* ..	174	47,74,239	95,616	2,18,231	47,54,015	13,58,550
1921* ..	176	48,30,244	96,655	2,30,547	53,31,804	15,21,944
1922* ..	201	51,28,886	1,06,053	2,44,010	54,59,573	15,59,878
1923* ..	206	55,40,562	1,13,465	2,40,077	53,34,763	15,24,218
1924* ..	206	57,13,661	1,16,963	2,41,560	45,80,694	13,10,484
1925* ..	206	58,24,951	1,18,718	2,48,574	52,83,775	15,09,650
1926* ..	209	58,91,040	1,22,109	2,48,161	46,77,071	13,36,306
1927* ..	211	58,93,375	1,22,788	2,57,458	54,49,535	15,57,010
1928* ..	212	58,81,000	1,26,224	2,51,730	40,69,770	11,63,634
1929* ..	219	60,51,198	1,32,707	2,14,215	44,51,419	12,71,834
1930* ..	220	61,72,792	1,35,805	2,52,488	55,11,184	15,74,624
1931* ..	218†	62,90,233	1,38,153	2,00,357	54,70,906	15,63,116

Progress of Cotton Mills in British India and Native States since 1890.

Years ending 30th June.	Number of Mills.	Number of Spindles.	Number of Looms.	Average No. of Hands employed daily.	Approximate quantity of Cotton consumed. Cwts.	Approximate quantity of Cotton consumed. Bales of 392 lbs.
1890 ..	137	32,74,196	23,412	1,02,721	35,29,617	10,08,462
1891 ..	134	33,51,694	24,531	1,11,018	41,26,171	11,78,906
1892 ..	139	34,02,232	25,444	1,16,161	40,83,783	11,65,938
1893 ..	141	35,75,917	28,164	1,21,500	40,98,528	11,71,008
1894 ..	142	36,49,736	31,154	1,30,461	42,78,778	12,22,508
1895 ..	148	38,60,929	35,338	1,38,669	46,95,999	13,41,714
1896 ..	155	39,32,946	37,270	1,45,432	49,32,613	14,09,318
1897 ..	173	40,65,618	37,584	1,44,335	45,53,476	13,00,936
1898 ..	185	42,59,720	38,013	1,48,964	51,84,048	14,81,328
1899 ..	188	47,28,333	39,059	1,62,108	58,63,105	16,75,190
1900 ..	193	49,43,783	40,124	1,61,189	50,85,733	14,53,352
1901 ..	193	50,06,936	41,180	1,72,883	47,31,060	13,51,740
1902 ..	192	50,66,663	42,584	1,81,031	61,77,633	17,65,038
1903 ..	192	50,43,197	44,602	1,81,399	60,87,600	17,39,340
1904 ..	191	51,18,121	45,337	1,84,779	61,06,681	17,44,766
1905 ..	197	51,63,486	50,139	1,95,277	65,77,354	18,79,244
1906 ..	217	52,78,593	52,668	2,08,616	70,82,306	20,23,516
1907 ..	224	53,33,273	58,436	2,05,666	69,36,595	19,80,170
1908 ..	241	57,56,020	67,920	2,21,195	69,70,250	19,91,500
1909 ..	259	60,53,233	76,898	2,30,661	73,71,500	21,09,000
1910 ..	263	61,95,671	82,725	2,33,624	67,72,535	19,35,010
1911 ..	263	63,37,460	85,352	2,30,649	66,70,531	19,05,866
1912 ..	268	64,63,629	88,951	2,43,637	77,75,357	20,50,102
1913 ..	272	65,56,861	94,136	2,53,786	73,36,056	20,96,016
1914* ..	271	67,38,895	1,04,179	2,60,276	73,60,941	21,43,126
1915* ..	277	68,48,744	1,08,009	2,65,349	73,59,212	21,02,632
1916* ..	266	68,36,877	1,10,268	2,74,301	76,92,013	21,97,718
1917* ..	263	67,38,697	1,14,621	2,76,771	76,03,374	21,58,164
1918* ..	262	66,53,871	1,16,484	2,82,227	72,09,873	20,85,678
1919* ..	258	66,89,680	1,18,221	2,93,227	71,54,805	20,44,230
1920* ..	253	67,63,056	1,19,072	3,11,078	68,31,113	19,52,318
1921* ..	257	68,76,804	1,23,783	3,32,179	74,20,805	21,20,230
1922* ..	298	73,31,210	1,34,620	3,43,723	77,12,390	22,03,540
1923* ..	333	79,27,938	1,44,794	3,47,380	75,39,943	21,51,698
1924* ..	336	81,13,273	1,51,485	3,56,887	67,21,118	19,17,748
1925* ..	337	83,10,633	1,54,292	3,67,877	77,92,085	22,26,310
1926* ..	334	87,14,168	1,59,464	3,73,508	73,96,844	21,13,384
1927* ..	336	87,02,760	1,61,952	3,82,623	84,80,942	24,17,412
1928* ..	333	87,04,172	1,66,532	3,80,921	70,34,237	20,09,782
1929* ..	344	89,07,064	1,74,692	3,46,923	75,04,081	21,61,166
1930* ..	348	91,24,768	1,79,250	3,84,022	90,07,999	25,73,714
1931* ..	339†	93,11,053	1,82,429	3,95,475	92,16,116	26,33,176

† *Does not include 15 mills in course of erection.* *Year ending 31st August. ‡ *Does not include 24 mills in course of erection.*

NAMES OF MILLS.	NAMES OF AGENTS OR OWNERS AND OFFICE ADDRESSES.	SITUATION OF MILLS.	CAPITAL. Number of Shares.	CAPITAL. Nominal value of each Share.	CAPITAL. Total amount of Capital paid up.	NUMBER OF SPINDLES. Mule.	NUMBER OF SPINDLES. Ring.	NUMBER OF SPINDLES. Total.	Average Number of Spindles at work daily.	Number of Looms.	Average Number of Looms at work daily.	Approximate quantity of Cotton consumed during the year in candies of 784 lbs.	Average Number of Hands employed daily.	Total Number of days worked from 1st Sept. 1930 to 31st Aug. 1931.	REMARKS.
				Rs.	Rs.										
BOMBAY ISLAND—*contd.*		Total brought forward..	....	..	11,34,19,615	3,00,000	23,48,936	26,49,046	20,38,137	39,970	47,350	2,69,475	95,756		
60. Phœnix Mills, Ltd. (formerly Britannia Mills) ..	Messrs. Ramnarain Harnandrai & Sons, Agents, 143, Esplanade Road, Fort, Bombay.	Fergusson Road, Lower Parel.	8,000	100	8,00,000	12,644	40,224	52,868	51,880	744	718	10,963	2,540	303	
61. Prabhat Mills, Ltd., (formerly Alliance Cotton Manufacturing Co., Ltd.).	Messrs. R. D. Tata & Co., Ltd., Agents, Bombay House, Bruce Street, Fort, Bombay.	Tardeo	1,00,000	10	10,00,000	..	26,104	26,104	24,651	592	574	2,233	1,003	304	
62. Pralhad Mills, Ltd. (formerly Planet Mills)	Messrs. Partapgir Narsingirji & Co., Agents, Gresham Building, Esplanade Road, Fort, Bombay.	Fergusson Road, Lower Parel.	20,000	100	17,01,000	2,486	30,460	32,946	31,150	929	903	5,352	1,868	303	
63. Premier Mills, Ltd.	Messrs. Currimbhoy Ebrahim and Sons, Ltd., Agents, 12-14, Outram Road, Bombay.	Do. do. ..	2,00,000	10	19,99,880	..	10,840	10,840	..	432	..	..	..	..	Mill closed since 6th April 1928.
64. Raghuvanshi Mills, Ltd. (formerly Kilachand Mills, Ltd.)	Messrs. Kanchoddas Khimji & Co., Agents. Office on Mill premises.	Haines Road, Mahaluxmi .	10,000	100	10,00,000	12,022	28,688	40,710	40,300	..	..	10,292	1,405	306	
65. Raja Bahadur Motilal Bombay Mills, Ltd. (formerly Raja Bahadur Motilal Pitty Mills).	Messrs. Govindlal & Co., Managing Agents, 58/64, Custom House Road, Fort, Bombay.	Tardeo	15,210	100	15,21,000	..	18,908	18,908	..	..	..	..	..	..	Mill closed since February 1923.
66. Ruby Mills, Ltd. (formerly Sorab Mills)	Messrs. Hormusji & Co., Agents, Commissariat Building, Horaby Road, Fort, Bombay.	Woollen Mill Gully, Lady Jamshedji Road, Dadar.	12,000	100	12,00,000	..	14,748	14,748	11,452	454	401	3,616	898	306	
67. Sassoon Spinning and Weaving Co., Ltd. ..	Messrs. David Sassoon & Co., Ltd., Agents, 29, Forbes Street, Fort, Bombay.	Mount Estate, Mazagon. ..	4,00,000	10	40,00,000	2,224	58,016	60,240	55,670	1,252	1,119	12,508	2,978	303	
68. Sutton Mill, Ltd., (formerly Globe Manufacturing Co.)	Messrs. Gokuldas Khatau & Sons, Agents, [illegible]	Dadar Road													

12.	Jehangir Wadia Mill	Royal Insurance Buildings, 12/14, Churchgate Street, Fort, Bombay.	Victoria Bunder, Colaba.		50,000		25,00,000		..	11,376	11,376	11,376	..	..	3,241	496	309	
13.	Coorla Spinning and Weaving Company, Ltd. ..	Messrs. Cowasjee Jehangir & Co., Ltd., Secretaries, Treasurers and Agents, 23, Readymoney Mansion, Churchgate Street, Fort, Bombay.	Coorla.		13,000	100	13,00,000		1,404	20,104	27,368	23,033	729	718	3,946	1,379	307	
14.	Crescent Mills Co., Ltd.	Messrs. Currimbhoy Ebrahim & Sons, Ltd., Agents, Currimbhoy House, Outram Road, Fort, Bombay.	Ferguson Road, Lower Parel.		15,000	100	15,00,000		9,600	35,088	44,688	35,578	1,067	992	5,553	1,851	299	1,680 additional ring spindles in course of erection & expected to be shortly.
15.	Crown Spinning and Manufacturing Co., Ltd. (formerly Dhun Mills).	Messrs. Purshotam Vithaldas & Co., Secretaries, Treasurers and Agents, 16, Apollo Street, Fort, Bombay.	New Parbhadevi Road, Parel.		400	500	2,00,000		3,888	35,288	39,176	35,786	968	870	4,315	1,519	298	
16.	Currimbhoy Mills Co., Ltd. (including Mahomedbhoy Mills).	Messrs. Currimbhoy Ebrahim & Sons, Ltd., Agents, 12/14, Outram Road, Fort, Bombay.	DeLisle Road		8,800	250	22,00,000		17,344	65,096	82,440	63,323	1,048	986	8,852	2,917	297	
17.	David Mills Company, Ltd. No. 1	Messrs. E. D. Sassoon & Co., Ltd., Agents, 15, Dougall Road, Ballard Estate, Fort, Bombay.	Carroll Road, Parel. ..	Old.	1,800	500	9,00,000		16,192	64,168	80,360	59,626	1,164	891	8,975	2,344	305	1,300 additional ring spindles expected to work in October-November 1931.
18.	David Mills Company, Ltd. No. 2			New	6,000	250	15,00,000											
19.	Dawn Mills Company, Ltd.	Messrs. Sassoon J. David & Co., Ltd. Agents, 143, Esplanade Road, Fort, Bombay.	Ferguson Road, Lower Parel.		3,200	250	8,00,000		5,280	37,872	43,152	38,981	..	..	12,067	1,712	305	
20.	Ebrahimbhoy Pabaney Mills Company, Ltd.	Messrs. Currimbhoy Ebrahim & Sons, Ltd. Agents, 12/14, Outram Road, Fort, Bombay.	DeLisle Road		8,000	250	20,00,000		16,704	39,704	56,408	41,097	1,054	1,049	6,339	2,023	299	
21.	E. D. Sassoon United Mills, Ltd. (Alexandra Mill) ..	Messrs. E. D. Sassoon & Co., Ltd., Agents, 15, Dougall Road, Ballard Estate, Fort, Bombay.	Ghorupedeo Road, Chinchpoogly.						..	36,176	36,176	31,698	770	521	3,737	1,706	253	
22.	E. D. Sassoon United Mills, Ltd. (E. D. Sassoon Mill).		Do. ..	Ord.	20,00,000	10			10,758	75,868	86,626	61,458	843	713	7,663	1,394	250	
23.	E. D. Sassoon United Mills, Ltd. (Jacob Sassoon Mill).		Suparibaug Road, Parel. ..	Def.	50,00,000	15	2,50,00,000		17,360	88,068	99,428	81,933	2,415	1,833	10,299	3,348	307	
24.	E. D. Sassoon United Mills, Ltd. (Manchester Mills) (formerly Hongkong Mills).		Chinchpoogly Cross Lane, Kalachowki.						4,384	21,060	25,444	21,303	798	663	6,460	964	271	
25.	E. D. Sassoon United Mills, Ltd. (Rachel Sassoon Mill).		Chinchpoogly Road ..						..	..	..	..	2,172	1,679	..	1,528	257	
26.	Edward Sassoon Mills, Ltd.	Messrs. E. D. Sassoon & Co., Ltd., Agents, 15, Dougall Road, Ballard Estate, Fort, Bombay.	Ferguson Road, Lower Parel.		8,500	200	17,00,000		29,236	16,532	45,808	38,913	1,016	781	4,393	1,292	268	
27.	Elphinstone Spinning and Weaving Mills Co., Ltd. ..	Messrs. E. D. Sassoon & Co., Ltd., Agents, Dougall Road, Ballard Estate, Fort, Bombay.	Elphinstone Road, Parel	7% cum. Pref. Ord.	25,000 25,000	100	50,00,000		14,008	35,056	49,064	35,904	782	492	5,689	1,484	308	
28.	Fazulbhoy Mills, Ltd.	Messrs. Currimbhoy Ebrahim & Sons, Ltd., Agents, 12/14, Outram Road, Fort, Bombay.	DeLisle Road		7,200	250	18,00,000		..	52,296	52,296	51,166	1,988	1,979	7,383	2,858	Spg. 298 Wvg. 295	
29.	Finlay Mills, Ltd.	Messrs. James Finlay & Co., Ltd., Agents, Chartered Bank Buildings, Fort, Bombay.	Government Gate, Road, Parel.		40,000	100	40,00,000		..	46,072	46,072	40,030	812	652	4,390	1,369	308	
30.	Framjee Petit Spinning and Manufacturing Co., Ltd.	Messrs. Dinshaw Manockjee Petit Sons & Co., Agents, 359, Hornby Road, Fort, Bombay.	Reay Road, Mazagaon ..		1,250	1,000	12,50,000		..	32,584	32,584	30,732	929	895	4,213	1,587	Spg. 276 Wvg. 264	
31.	Gold Mohur Mills, Ltd.	Messrs. James Finlay & Co., Ltd., Agents, Chartered Bank Bldgs., Fort, Bombay.	Old Dadar Road, Dadar ..		25,000	100	25,00,000		..	42,472	42,472	33,200	1,040	779	4,586	1,559	256	
32.	Hindoostan Spinning and Weaving Mills Co., Ltd. ..	Messrs. Thackersey, Mooljee & Co., Agents, 16, Apollo Street, Fort, Bombay.	Ripon Road, Jacob Circle .		1,200	1,000	12,00,000		2,784	39,280	42,064	40,601	1,150	1,046	5,489	1,779	299	
33.	Hirjee Mills, Ltd., (formerly Presidency Mills Co., Ltd.).	Messrs. Cowasji Jehangir & Co., Agents, Readymoney Mansion, Churchgate, Street, Fort, Bombay.	Ferguson Road, Lower Parel.		11,500	100	11,50,000		1,140	29,184	30,324	27,801	840	760	3,527	1,342	310	
34.	Indian Manufacturing Co., Ltd.	Messrs. Damodar Thackersey Mooljee & Co., Agents, 16, Apollo Street, Fort, Bombay.	Ripon Road, Jacob Circle.	Whole Half	863 74	1,000 500	9,00,000		..	47,304	47,304	42,625	1,108	1,044	4,503	1,851	299	
35.	Jam Manufacturing Co., Ltd., No. 1	Messrs. Waljee Shamji & Co., Secretaries, Treasurers and Agents, 4, Dalal Street, Fort, Bombay.	Lalbag, Parel .. .. Sewri Road..		2,400	500	12,00,000		..	31,340	31,340	31,338	944	939	3,950	1,493	305	
36.	Jam Manufacturing Co., Ltd., No. 2 (formerly Birla Mills Ltd., No. 2).								650	23,072	23,722	22,432	459	449	2,562	903	300	Not working during the period.
37.	Jamshed Manufacturing Co., Ltd.	Messrs. Hormusji Ardeshir & Sons, Agents, Commissariat Building, Hornby Road, Fort, Bombay.	Ferguson Road, Lower Parel.		22,570	25	8,64,280		..	31,280	31,280	..	520	..	..	..	..	
38.	Jivraj Balloo Spinning and Weaving Co.	Mr. Hooseinbhoy A. Lalljee, Proprietor Master Road, Grant Road, Bombay.	Tardeo.	....		....	....		....	....	....	13,200	20,316	33,516	....	663	....	....	....	Not working since Aug. 1925.
39.	Jubilee Mills, Ltd.	Messrs. Mangaldas Mehta & Co., Secretaries, Treasurers and Agents, Mubarak Manzil, Apollo Street, Fort, Bombay.	New Sewree Road ..	Ord. Pref.	10,000 5,000	100 100	10,00,000 5,00,000		..	33,152	33,152	30,131	582	525	2,252	992	305	
40.	Kastoorchand Mills Co., Ltd. (Kastoorchand Mill) ..	Messrs. Currimbhoy Ebrahim and Sons, Ltd., Agents, 12/14, Outram Road, Fort, Bombay.	Tulsipipe Road, Dadar, Haines Road, Mahaluxmi.		1,40,000	50	69,74,875		14,418	18,376	32,794	32,303	913	853	5,321	1,903	305	
41.	Kastoorchand Mills Co., Ltd. (Imperial Mill) ..								..	47,460	47,460	45,224	..	..	4,267	1,303	301	
42.	Khatau Makanji Spinning and Weaving Co., Ltd. ..	Messrs. Khatau Makanji & Co., Agents, Laxmi Buildings, 42, Ballard Pier, Fort, Bombay.	Haines Road, Byculla	Ord. 6% cum. Pref.	20,000 10,000 10,000	100 100	19,05,000		..	62,268	62,268	60,484	1,513	1,462	6,445	2,783	289	
43.	Kohinoor Mills Co., Ltd.	Messrs. Killick, Nixon & Co., Agents, Killick Building, Home Street, Fort, Bombay.	Naigaum Cross Road, Dadar.		20,000	100	20,00,000		8,652	49,088	57,740	45,788	1,430	1,223	7,307	2,705	304	10,088 additional ring spindles in course of erection.
44.	Madhaorao Scindia Mills, Ltd. (formerly Sun Mills, Limited).	Messrs. Vishweshvar Raghavji & Co., Lessees, Office on Mill premises.	Sun Mill Road, Lower Parel.	Pref. Ord.	20,000 18,000	100	38,00,000		4,348	36,328	40,676	30,381	604	543	6,040	1,390	255	
45.	Madhowji Dharamsi Manufacturing Co., Ltd. ..	Messrs. Gokuldas Madhowji Sons & Co., Agents, Foras Road, Bombay, No. 8.	Foras Road, Tardeo ..	Ord. Pref.	13,50,000 2,700	100 250	13,50,000 6,75,000		2,296	35,516	37,812	32,619	945	853	5,021	2,391	289	
46.	Manockjee Petit Mfg. Co., Ltd. (Manockji Petit Mill) ..	In Liquidation	Tardeo						..	68,996	68,996	..	2,313	..	..	..	..	In liquidation since 22nd April 1931.
47.	(Dinshaw Petit Mill) ..	Messrs. D. M. Petit Sons & Co., Agents,	Parel, Lalbaugh ..		3,609½	1,000	36,09,500		..	41,996	41,996	..	1,122	..	..	..	154	
48.	(Bomanjee Petit Mill)..	359, Hornby Road, Fort, Bombay.	Mahalaxmi						..	42,368	42,368	6,816	1,250	716	29	1,110	85	Restarted work from 26th May 1931.
49.	Mathradas Mills, Ltd.	Messrs. Raghavji Purshotam & Co., Lessees, on Mill premises.	DeLisle Road		44,000	50	22,00,000		3,384	40,512	43,896	28,909	932	670	1,454	1,242	267	
50.	Meyer Sassoon Mills, Ltd.	Messrs. E. D. Sassoon & Co., Ltd., Agents, 15, Dougall Road, Ballard Estate, Fort, Bombay.	Ferguson Road, Lower Parel.		10,000	100	10,00,000		11,928	30,288	42,216	37,179	1,038	899	4,472	1,299	267	
51.	Moon Mills, Ltd.	Messrs. P. A. Hormarji & Co., Agents, 70, Forbes Street, Fort, Bombay.	Sewree New Road ..		1,000	250	2,50,000		7,582	26,800	34,382	32,344	828	824	5,173	1,513	303	
52.	Morarji Gocouldas Spinning and Weaving Co., Ltd. ..	Messrs. Morarjee Gocouldas & Co., Secretaries, Treasurers and Agents, New Sudama House, Wittet Road, Ballard Estate, Bombay.	Suparibaug Road, Parel. ..		1,200	1,000	11,50,000		..	78,992	78,992	66,609	1,648	1,389	11,153	3,966	Spg. 303 Wvg. 301	
53*	Mysore Spinning & Manufacturing Co., Ltd., No. 2 (formerly Birla Mills Ltd., No. 1)	Messrs. D. N. Sirur & Co., Agents, Temple Bar Building, 70, Forbes Street Fort, Bombay.	Elphinstone Road, Parel ..	....		....	....		13,896	10,368	24,264	24,242	..	..	4,665	733	291	1,032 additional ring spindles in course of erection.
54	New China Mills, Ltd., (formerly China Mill)	Mr. Pransukhlal Mafatlal, Managing Director, 29, Churchgate St., Fort, Bombay.	Sewree		1,325	1,000	13,25,000		14,744	25,392	40,136	24,978	658	639	3,578	1,131	302	
55.	New City of Bombay Manufacturing Co., Ltd. ..	Messrs. W. H. Brady & Co., Ltd., Agents, Royal Insurance Building, 12/14, Churchgate Street, Fort, Bombay.	Albert Road, Chinchpoogly.		6,000	100	6,00,000		..	43,128	43,128	42,232	416	415	5,332	1,342	309	
56.	New Great Eastern Spinning and Weaving Co., Ltd. .	Messrs. W. H. Brady & Co., Ltd., Agents, Royal Insurance Building, 12/14, Churchgate St., Fort, Bombay.	Victoria Gardens Road, Chinchpoogly.	Ord. Pref.	7,500 4,000	200 200	15,00,000 8,00,000		14,520	35,148	49,668	47,183	1,036	916	8,326	2,127	307	
57.	New Islam Mills	Hajee Alimahomed Hajee Cassum, Owner, Suparibaug Road, Parel, Bombay No. 13	Suparibaug Road, Parel ..	....		....	....		2,048	17,604	19,652	..	560	..	..	..	..	Not working since 6th October 1928.
58.	New Kaiser-i-Hind Spinning & Weaving Co., Ltd. ..	Messrs. Vassunjee Munjee & Co., Agents, Surti Building, 152, Elphinstone Circle, Fort, Bombay.	Gorupdeo Road, Chinchpoogly.		1,800	500	9,00,000		936	48,584	49,520	48,283	1,228	1,169	5,455	2,034	304	
59.	Pearl Mills, Ltd.	Messrs. Currimbhoy Ebrahim & Sons, Ltd. Agents, 12/14 Outram Road, Fort, Bombay.	DeLisle Road		8,000	250	20,00,000		..	53,820	53,820	51,502	1,760	1,750	7,648	2,778	300	
		Total carried forward..		....		....	11,34,29,013		3,00,090	23,48,956	26,49,046	20,38,337	59,970	47,330	2,69,475	93,756		

* The Capital of Mill No. 53 is included in the Share Capital of Mysore Spinning and Manufacturing Co., Ltd., Mysore (*vide* Part III under Mills in Mysore State.)

British India Press, Bombay.

		Bombay.													
66	Sewree Cotton Mills, Ltd. (formerly Shree Laxmi Mill).	Messrs. Jivandas Vallabdas & Co., Agents, Albert Building, Hornby Road, Fort, Bombay.	Sewri Cross Road		3,000	100	3,00,000	1,880	6,392	8,272	8,048	..	..	2,543	313	307	
70	Simplex Mills Co., Ltd.	Messrs. Allen Bros. & Co. (Bombay), Ltd., Agents, Forbes Building, Home Street, Fort, Bombay.	Clarke Road, Jacob Circle, Byculla.		9,000	250	22,50,000	..	37,208	37,208	32,694	1,323	1,173	6,281	2,329	274	
71	Sir Shapurji Broacha Mills, Ltd. (Connaught Mill) ..	Messrs. Mathradas Goculdas & Co., Agents, DeLisle Road, Chinchpoogly, Bombay, No. 13.	DeLisle Road	Ord.	50,000	100	77,51,195	1,872	90,816	92,688	58,524	1,128	1,002	13,213	3,189	301	
72	Sir Shapurji Broacha Mills, Ltd. (Empress Mill) ..			New	2,560	100											
73	Sir Shapurji Broacha Mills, Ltd. (New Empress Mill)			Pref.	25,000	100											
74	Standard Mills Co., Ltd.	Messrs. Mafatlal Gagalbhai & Sons, Agents, Rustom Building, 29, Churchgate Street, Fort, Bombay.	Parbhadevi Road, Lower Mahim.	Whole	2,031	500	10,15,500	3,960	40,576	44,536	42,013	1,179	1,043	5,202	2,120	300	
				Quart.	1,476	125	1,84,500										
75	Swadeshi Mills Co., Ltd.	Messrs. Tata Sons, Ltd., Agents, Bombay House, 24, Bruce Street, Fort, Bombay.	Coorla		20,000	100	20,00,000	..	79,024	79,024	77,563	2,433	2,381	9,726	3,802	308	Machinery of Mill No. 2 removed to Mill No. 1 at Kurla. Mill No. 2 closed since 31st March 1928.
76	Swan Mills, Ltd.	Messrs. James Finlay & Co., Ltd., Agents, Chartered Bank Buildings, Fort, Bombay	Sewree		24,000	100	24,00,000	1,022	30,428	31,450	24,337	604	452	2,732	981	307	
77	Tata Mills, Ltd.	Messrs. Tata Sons, Ltd., Agents, Bombay House, 24, Bruce Road, Fort, Bombay.	Dadar Road ..	Ord.	52,971	25	14,98,550	..	62,988	62,988	39,554	1,800	1,785	9,679	3,287	301	
				Pref.	6,971												
78	Toyo Podar Cotton Mills, Ltd. (formerly Diamond Spg. and Wvg. Co., Ltd.).	Mr. T. Sasakura, Mg. Director, Office on Mill premises.	DeLisle Road		20,000	100	20,00,000	..	31,992	31,992	29,919	934	848	10,412	1,463	293	
79‡	Union Mills	Messrs. David Sassoon & Co., Ltd., Proprietors, 39, Forbes Street, Fort, Bombay.	DeLisle Road	....		..	....	3,960	31,492	35,452	31,235	876	832	5,037	1,684	294	
80	Victoria Mills, Ltd.	Messrs. Mangaldas Mehta & Co., Secretaries, Treasurers and Agents, Mubarak Manzil, Apollo Street, Fort, Bombay.	Gamdevi Road		8,000	100	8,00,000	..	26,116	26,116	25,808	596	548	2,553	1,066	296	
81	Western India Spinning and Manufacturing Co., Ltd.	Messrs. Thackersey Mooljee Sons & Co., Agents, 16, Apollo Street, Fort, Bombay.	Kalachowki Road, Chinchpoogly.		1,200	1,000	12,00,000	5,208	36,532	41,760	36,042	977	968	4,348	1,647	304	
			Total ..	....		..	14,92,41,240	3,48,376	30,78,024	34,27,000	27,02,848	76,975	62,748	4,19,094	*1,29,057	..	

*** Vide foot-note.** *Out of 34,27,000 spindles 40,040 are waste spindles.*

COTTON MILLS RECENTLY REGISTERED AND OR IN COURSE OF ERECTION.

BOMBAY PRESIDENCY.

1.	Ajit Mills, Ltd.	Messrs. Chimubhai Naranbhai & Co., Ltd., Secretaries, Treasurers and Agents, 2047 Shankli Sheri, Ahmedabad.	Rakhial Road, Ahmedabad.		5,000	100	5,00,000	..	16,000	16,000	..	416	..	..	..	..	Expected to work by about Oct. 1932.
2.	Arvind Mills, Ltd.	Messrs. Narottam Lalbhai & Co., Agents, Post Box No. 56, Ahmedabad.	Ahmedabad	....		..	....	..	..	..	..	..	..	..	..	..	
3.	Bechardas Manekchand Kharwar Weaving Factory.	Mr. B. M. Kharwar, Owner Chanchwa Sheri, Surat.	Surat	....		..	....	..	..	..	..	..	..	..	..	..	
4.	Behari Mills, Ltd.	Messrs. Kalidas Motibhai Metha & Sons, Ltd. Agents, Geetipur Road, Ahmedabad.	Ahmedabad	....		..	....	..	..	..	..	..	..	..	..	..	
5.	Gujerat Weaving Works	Mr. Manilal Jeshingbhai Shah, Owner, Ghee Kanta Road, near R. C. High School, Ahmedabad.	Ahmedabad	....		..	....	..	..	..	..	..	..	..	..	..	
6.	Kalyan Mills, Ltd.	Messrs. Kalidas Motibhai Mehta, & Sons, Ltd., Managing Agents, Railwaypura Post, Ahmedabad.	Naroda Road, Ahmedabad.		4,800	100	1,20,000	..	..	..	..	..	..	..	..	..	
7.	§ Mafatlal Fine Spinning & Weaving Co., Ltd ..	Navinchandra Purshotam & Co., Ltd., Navsari.	Navsari		7,250	100	1,54,275	..	23,620	25,620	..	512	..	..	..	..	
8.	Maharana Mills, Ltd.	Messrs. Nanji Kalidas Mehta, Porbandar.	Porbandar		25,000	100	6,00,000	..	..	..	..	..	..	..	..	..	
9.	Maharastra Mills	Messrs. Maude Faltale & Co., Secretaries & Agents, Hansmant Road, Barsi Town.	Barsi	....		..	....	..	..	..	..	..	..	..	..	..	
10.	New National Mills Co., Ltd.	Messrs. Popatlal Harilal Nagri & Co., Ltd., Ahmedabad.	Ahmedabad	....		..	....	..	..	..	..	..	..	..	..	..	
11.	Nutan Mills, Ltd.	Messrs. Jugabhai Bhogilal Nanavati & Co., Ltd., Agents, Pankore's Naka, Ahmedabad.	Saraspur Gate, Ahmedabad.		5,000	100	....	..	..	..	..	..	..	..	..	..	
12.	Rohit Mills, Ltd.	Messrs. Lalubhai Gordhandas, Ltd., Agents, Railwaypura Post, Ahmedabad.	Ahmedabad	....		..	....	..	..	..	..	..	..	..	..	..	Registered on 25th Aug. 1931.
13.	Sholapur Udyoga Mills, Ltd.	Messrs. M. Alli & Co., Managing Agents, Phatkhan Galli, Mangalwar Peth, Sholapur.	Sholapur	....		..	....	..	..	..	..	..	..	..	..	..	
14.	§ Shree Bahucharaji Mills Co., Ltd.	Messrs. Chhotabhai Raojibhai & Co., Bahucharaji Road, Baroda.	Baroda	....		..	2,00,000	..	..	..	..	..	..	..	..	..	
15.	§ Shri Chintamani Spinning & Weaving Mills, Ltd. ..	Messrs. Arwade Gadgil & Co., Ltd., Managing Agents, 430, Dhundiraj Road, Sangli.	Sangli	....		..	....	..	..	..	..	..	..	..	..	..	
			Total ..	....		..	15,74,275	..	41,620	41,620	..	928	..	..	..	..	

CENTRAL INDIA.

1.	§ Hira Mills, Ltd.	Sir Sarupchand Hukamchand & Co., Managing Agents, Indore.	Indore	....		..	....	..	..	..	..	..	..	..	..	Expected to work shortly.
2.	§ Motilal Agarwal Mills (formerly Gwalior Spg. & Wvg. Mills, Co., Ltd.)	Mr. M. L. Agarwal, Proprietor Office on Mill premises.	Morar Road, Gwalior (G. I. P.).	....		..	....	..	10,000	10,000	..	200	..	..	..	..	
			Total ..	....		..	....	..	10,000	10,000	..	200	..	..	..	..	

BENGAL PRESIDENCY.

1.	Bangodaya Cotton Mills	J. P. Dutia, Managing Director, Office 30, Ezra Street, Calcutta.	Calcutta	....		..	25,00,000	..	..	..	..	..	..	..	..	Authorised Capital.
2.	Jagadatri Cotton Mills	The Agents, 22, New Tanga Mills, Calcutta	Calcutta	....		..	....	..	..	..	..	..	..	..	..	..	
3.	Laxminarayan Cotton Mills	Messrs. National Agency, Managing Agents, 30, Lyall Street, Calcutta.	Godnayle, Narayangunje ..		20,000	10	17,00,000	..	..	..	..	200	..	..	..	..	Expect to work in January 1932.
4.	Young India Cotton Mill	Messrs. Manoni & Co., Secretaries & Treasurers, 26 Strand Road, Calcutta.	Calcutta	....		..	30,00,000	..	..	..	..	..	..	..	..	..	Authorised Capital
			Total ..	....		..	72,00,000	..	..	..	..	200	..	..	..	..	

UNITED PROVINCES.

1.	Narayan Cotton Mills (formerly Curzon Cotton Mills) ..	Messrs. H. Bevis & Co., Proprietors, P. O. Box 29, Cawnpore.	Cawnpore	....		..	....	..	..	..	..	..	..	..	..	..	

MADRAS PRESIDENCY.

1.	Kantimathi Mills, Ltd.	Sriman Kanthimathinathan Pillai, Agent, Tinnevelly.	Tinnevelly	....		..	....	..	..	..	..	..	..	..	..	..	
2.	Sri Alagar Mills, Madura	Mr. Chinnakrishna Naidu, Agent, Goodshed Street, Madura.	Madura	....		..	....	..	..	..	..	..	..	..	..	..	
			Total ..	....		..	....	..	..	..	..	..	..	..	..	..	

† Statement not received. Figures taken from last year's statement. § Native States. ‡ Proprietary Concerns.

NOTE:—The average number of hands employed daily is arrived at by adding together the number of hands **actually** working on each day the Mills were open between **1st September 1930 and 31st August 1931** and dividing the results by the number of days actually worked. It does not include the number employed on **night shift.**

MILLS IN AHMEDABAD.

NAMES OF MILLS.	NAMES OF AGENTS OR OWNERS AND OFFICE ADDRESSES.	SITUATION OF MILL.	CAPITAL.			NUMBER OF SPINDLES.			Average Number of Spindles at work daily.	Number of Looms.	Average Number of Looms at work daily.	Approximate quantity of Cotton consumed during the year in candies 784 lbs.	Average Number of Hands employed.	Total Number of days worked from 1st Sept 1930 to 31st Aug 1931.	REMARKS.
			Number of Shares.	Nominal value of each Share.	Total amount of Capital paid up.	Mule.	Ring.	Total.							
MILLS IN AHMEDABAD.				Rs.	Rs.										
1. Ahmedabad Advance Mills, Ltd.	Messrs. Tata Sons, Ltd., Agents, Bombay House, 24, Bruce Street, Fort, Bombay.	Shahi-Bag Road, outside Delhi Gate, Ahmedabad.	10,000	100	10,00,000	..	30,692	30,692	30,587	602	586	3,253	1,050	310	
2. Ahmedabad Astodia Manufacturing Co., Ltd.	Messrs. Desai Girdharlal Amratlal & Co., Agents, Office on Mill premises.	Outside Astodia Gate, Ahmedabad.	6,000	100	5,05,000	..	16,384	16,384	16,384	328	328	2,720	716	302	
3. Ahmedabad Cotton and Waste Mfg. Co., Ltd.	Messrs. Dhirajlal Chunilal & Bros., Secs., Treas. & Agts., Railwaypura, Post No. 2, Ahmedabad.	Dudheshwar Road, Ahmedabad.	A 5,330 A 607 B 2,000	12-8 125 125	66,625 83,375 2,50,000	1,030	20,708	21,704	21,122	312	308	2,193	706	302	
4. Ahmedabad Cotton Manufacturing Co., Ltd.	Messrs. Amratlal Damodardas & Co., Agents, Office on Mill premises.	Outside Sarangpur Gate, Ahmedabad.	500	1,000	5,00,000	..	28,776	28,776	28,718	688	666	3,629	1,194	307	
5. Ahmedabad Fine Spinning and Weaving Co., Ltd.	Messrs. Girdhardas Harivallabhdas Mills, Ltd., Lessees (Agents) Messrs. Chamanlal Mangaldas & Co.) Camp Road, Ahmedabad.	Gomtipur Road, Ahmedabad.	560	500	2,80,000	..	..	..	..	221	163	..	193	68	Started work from 12th June 1931.
6. Ahmedabad Ginning and Manufacturing Co., Ltd.	Messrs. Madhowlal Ranchhodlal & Co., Agents, Office on Mill premises.	Railway Suburb, Ahmedabad.	10,500	100	10,50,000	..	67,592	67,592	63,276	1,670	1,598	7,003	2,063	305	
7. Ahmedabad Industrial Mills Co., Ltd.	Messrs. Kalidas Lalbhai Mehta & Co., Ltd., Agents, Office on Mill premises.	Gomtipur Road, Ahmedabad.	484	1,000	4,84,000	..	22,180	22,180	21,500	559	550	2,022	888	304	
8. Ahmedabad Jubilee Spinning and Manufacturing Co., Ltd.	Messrs. Chimanlal Nagindas & Co., Treasurers and Agents, Office on Mill premises	Outside Dariapur Gate, P. O. Ry. Pura, Ahmedabad.	10,000	100	10,00,000	5,120	30,251	35,371	32,956	846	841	3,777	1,833	307	
9. Ahmedabad Jupiter Spg., Wvg. and Mfg. Co., Ltd.	Messrs. Fulchand Govindlal & Co., Ltd., Agents, Office on Mill premises.	Dudheshwar Road, Ahmedabad.	Ord. 6,400 Pref. 1,600	125	9,11,460	..	14,630	14,630	13,821	364	347	1,831	578	307	
10. †Ahmedabad Kaiser-i-Hind Mills Co., Ltd., (formerly Ahmedabad Merchant's Spinning Mills Co., Ltd.)	Messrs. Ramanlal Kaniyalal & Co., Agents, Office on Mill premises.	Outside Raipur Gate, Ahmedabad.	500	1,000	5,00,000	..	23,300	23,300	..	396	..	..	..	..	Not working since 1927.
11. Ahmedabad Laxmi Cotton Mills Co., Ltd.	Messrs. Jayantilal Amratlal & Co., Agents, Office on Mill premises.	Outside Raipur Gate, Ahmedabad.	900	1,000	5,00,000	..	34,100	34,100	33,787	..	..	4,676	960	306	
12. Ahmedabad Manufacturing and Calico Printing Co., Limited	Messrs. Karamchand Premchand & Co., Agents, Office on Mill premises.	Outside Jamalpur Gate, Ahmedabad.	16,000	125	20,00,000	..	69,350	69,350	69,271	1,503	1,497	5,073	2,835	305	
13. Ahmedabad New Cotton Mills Co., Ltd.	Messrs. Ranchhodlal Girdharlal & Co., Ltd., Office on Mill premises.	Kankaria Road, outside Raipur Gate, Ahmedabad	500	1,000	5,00,000	..	29,668	29,668	29,513	716	702	3,666	1,179	308	
14. Ahmedabad New Standard Mills Co., Ltd., (formerly Ahmedabad New Edward Mills Co., Ltd.)	Messrs. Sakarlal Naranlal & Co., Ltd., Managing Agents, Office on Mill premises.	Near Saraspur Gate, Ry. Pura Post, Ahmedabad.	6,000	100	6,00,000	..	18,992	18,992	18,221	442	440	2,292	797	304	
15. Ahmedabad New Textile Mills Co., Ltd., No. 1 16. Do. do. do. No. 2 (formerly Javeri Spg. & Mfg. Co., Ltd.)	Messrs. Naranlal Jivanlal & Co., Agents, Post Box No. 30, Ahmedabad.	Outside Raipur Gate, Ahmedabad.	2,000	250	5,00,000	.. ..	15,328 14,700	15,328 14,700	15,320 14,750	414 506	409 506	4,026	1,541	306	
17. Ahmedabad Saraspur Mills Co., Ltd.	Messrs. Himatlal Motilal & Co., Agents, outside Raipur Gate, Ahmedabad.	Do. do.	325	1,000	3,25,000	..	24,800	24,800	24,400	480	475	2,895	1,070	310	
18. Ahmedabad Shri Ramkrishna Mills Co., Ltd.	Messrs. Chimanlal Manecklal & Co., Secretaries, Treasurers and Agents, Post Box No. 67, Ahmedabad.	Gomtipur Road, Ahmedabad.	1,300	250	3,25,000	..	9,040	9,040	8,283	410	383	603	460	309	Spinning Dept started in Jan. 1931
19. Ahmedabad Spinning and Weaving Co., Ltd.	Messrs. Ranchhodlal Chhotalal & Co., Agents, Office on Mill premises.	Shahapur, Ahmedabad.	10,000	100	10,00,000	..	33,652	33,652	31,930	842	770	3,293	1,522	306	
20. Ananta Mills, Ltd.	Messrs. Jayantilal Amratlal, Ltd., Agents, outside Raipur Gate, Ahmedabad.	Rakhial, Ahmedabad	5,000	100	5,00,000	..	19,208	19,208	..	..	..	343	450	58	Mill started work in the middle of June 1931.
21. Aruna Mills, Ltd.	Messrs. P. M. Huthesing & Sons, Ltd., Agents, Office on Mill premises.	Naroda Road, Ahmedabad.	5,000	100	5,00,000	..	20,884	20,884	20,746	576	573	2,934	815	Spg. 310 Wvg. 296	
22. Aryodaya Ginning and Mfg. Co., Ltd., (formerly Ahmedabad Vyapar Ootejack Spinning and Mfg. Company, Limited.)	Messrs. Mangaldas & Brother, Secs., Treasurers and Agents, Office on Mill premises.	Asarva Road, Ahmedabad.	5,000	100	5,00,000	..	42,636	42,636	41,187	780	779	4,318	1,525	312	
23. Aryodaya Spinning and Weaving Co., Ltd. No. 1 24. Do do. do. No. 2	Messrs. Mangaldas and Balabhai & Co., Agents, Post Box 40, Ahmedabad.	Asarva Road, Ahmedabad	A 6,000 B 2,000	100 250	6,00,000 5,00,000	..	52,160	52,160	51,815	1,298	1,288	5,431	1,985	308	
25. Asarva Mills (formerly Hitwardhak Cotton Mills Co., Ltd.)	F. E. Dinshaw, Esq., Mortagagee in possession, Asarva Road, Post Kalupur, Ahmedabad.	Asarva Road, Ahmedabad	....	..	....	..	20,964	20,964	18,913	458	456	2,313	869	304	
26. Asoka Mills, Ltd.	Messrs. Lalbhai Dalpatbhai & Co., Agents, Pankore's Naka, Ahmedabad.	Naroda Road, Ahmedabad.	24,000	50	11,86,259	..	34,512	34,512	34,469	972	952	4,818	1,455	300	
27. Bechardas Spinning and Weaving Mills Co., Ltd.	Messrs. Durgaprasad S. Laskari & Co., Agents, Office on Mill premises.	Raikhad, Ahmedabad ..	2,000	250	4,99,425	..	18,156	18,156	16,751	414	402	1,934	685	303	
28. Bhalakia Mills Co., Ltd.	Messrs. Chandulal & Co., Ltd., Agents, Post Box No. 29, Ahmedabad.	Kankaria Road, Ahmedabad.	9,459	100	9,45,900	..	14,516	14,516	13,814	430	430	3,701	693	Spg. 308	Wvg. 299
29. Bharatkhand Cotton Mills Co., Ltd.	Messrs. Mookchand Jeykisandas & Co., Secs., Treasurers and Agents, Office on Mill premises.	Naroda Road, Railwaypura Post, Ahmedabad.	6,600	125	4,03,500	..	23,172	23,172	22,534	573	566	2,728	870	306	
30. Bharatkhand Textile Mfg. Co., Ltd. No. 1 31. Do. do. do. No. 2	Messrs. Jivanlal Girdharlal & Co., Secretaries, Treasurers and Agents, Post Box No. 30, Ahmedabad.	Camp Road, Ahmedabad.	Ord. 500 Pref. 2,000	1,000 250	4,25,000 4,25,000	..	39,492	39,492	38,013	982	954	3,156	1,659	307	
32. Bharat Laxmi Cotton Mills Co., Ltd.	Messrs. Ranchhodlal Amratlal & Co., Sec-	Beyond Kankaria Railway	8,800	100	8,58,000	..	18,492	18,492	18,012	..	..	1,217	665	303	

OTHER MILLS IN BOMBAY PRESIDENCY

	NAMES OF MILLS.	NAMES OF AGENTS OR OWNERS AND OFFICE ADDRESSES.	SITUATION OF MILL.	CAPITAL.			NUMBER OF SPINDLES.			Average Number of Spindles at work daily.	Number of Looms.	Average Number of Looms at work daily.	Approximate quantity of Cotton consumed during the year in candies 784 lbs.	Average Number of Hands employed	Total Number of days worked from 1st Sept. 1930 to 31st Aug. 1931.	REMARKS.
				Number of Shares.	Nominal value of each Share.	Total amount of Capital paid up.	Mule.	Ring.	Total.							
	OTHER MILLS IN BOMBAY PRESIDENCY.				Rs.	Rs.										
1.	§ Baroda Spinning and Weaving Co., Ltd., (Block Nos. 1 and 2).	Messrs. Javerchand Laxmichand & Co., Secretaries, Treasurers & Agents, Office on Mill premises.	Pani Gate, near Bhadar, Baroda.	3,308	100	5,30,800	..	29,144	29,144	29,140	599	596	3,682	1,060	311	
2.	Barsi Spinning and Weaving Mills, Ltd.	Messrs. Desai Sons & Co., Secretaries, Treasurers and Agents, C/o Mittleton Square Lane, Fort, Bombay.	Barsi Town (District Sholapur)	8,000	250	5,75,250		9,640	9,640	9,283	230	225	2,398	723	312	
3.	Bhagirath S. W. & Manufacturing Co., Ltd. ..	Messrs. Bhagirath Ramchandra & Co., Agents, Jalgaon.	Jalgaon, East Kandesh ..	30,000	100	18,77,310	..	11,000	11,000	10,384	211	204	1,938	395	311	
4.	Bharat Spg. and Wvg. Co., Ltd., No. 1 (formerly Hubli Mills, Ltd.)	Messrs. Purshotam Govindjee and Co., Managing Agents, 9/10, Bank Street, Fort, Bombay.	Hubli	20,000	250	33,99,256	2,048	1,824	3,872	25,020	600	561	4,106	2,045	311	
5.	Do. do. No. 2						..	26,512	26,512							
6.	§ Bharat Vijaya Mills, Ltd., (formerly Kalol Kapadia Spg. & Wvg. Mills Co., Ltd.)	Messrs. Ramanlal Champaklal & Co., Agents, Kalol.	Kalol, North Gujarat ..	10,000	100	7,50,000	..	13,284	13,284	12,702	..	..	1,833	430	316	
7.	Broach Fine Counts Spinning and Weaving Co., Ltd. (formerly Broach Industrial Cotton Spinning and Weaving Co., Ltd.)	Messrs. Birjlal Hiralal & Co., Secs. and Agents, Agakhan Building, Dalal Street, Fort, Bombay.	Mohamadpura Road, Near Station, Broach.	8,000	250	20,00,000	..	20,080	20,080	22,241	400	373	1,270	841	314	
8.	Cambay State Mills (formerly Nawab of Cambay Mill)	Cambay State, managed by Sheth Chamanlal Girdardhas Parekh, Office on Mill premises.	Cambay	..	..	..	..	18,092	18,092	14,563	300	260	2,286	676	320	
9.	Chandrodaya Mills, Ltd., Viramgaum (formerly Viramgaum Spinning & Manufacturing Co., Ltd.)	Messrs. Chunilal Kushaldas & Co., Ltd., Agents, Manecckchowk, Ahmedabad.	Viramgaum	7,000	100	7,00,000	..	25,692	25,692	25,200	627	584	3,557	1,315	301	
10.	§ Chhotalal Mills, Ltd. (formerly Kalol Cotton Mills Co., Limited.)	Messrs. Chotalal Hirachand & Co., Agents, Office on Mill premises.	Kalol, North Gujarat ..	500	1,000	5,00,000	..	8,996	8,996	8,907	408	284	2,524	554	315	
11.	‡§ Fine Weaving Factory	Messrs. Ratanchand Raichand & Co., Proprietors, Navapura, Surat.	Lal Darwaja, Surat ..	..	..	..	..	..	..	..	40	..	..	..	..	Not working
12.	§ Gaekwar Mills, Ltd.	Messrs. H. M. Mehta & Co., Ltd., Agents, Mubarak Manzil, Apollo Street, Fort, Bombay.	Billimora (Baroda State) ..	12,000	100	12,00,000	..	19,776	19,776	18,053	480	454	1,287	587	Spg. 313 Wvg. 300.	
13.	‡ Garden Weaving Factory	Messrs. Chandulal & Co., Owners and Managers, Office on Mill premises.	Rampura, Surat	..	..	..	..	..	..	..	42	34	..	53	292	
14.	Gokak Mills, Ltd. (formerly Gokak Water Power & Mfg. Co., Ltd.)	Messrs. Forbes, Forbes, Campbell & Co., Ltd., Agents, Forbes Building, Home Street, Fort, Bombay.	Gokak Falls, Belgaum District, S.M.C.	39,047	100	39,04,700	..	71,944	71,944	71,666	..	..	20,206	2,948	287	
15.	Gopal Mills Co., Ltd., (formerly Whittle Spg. & Mfg. Co., Ltd.,) No. 1	Messrs. Sandalas Harridas & Co., Agents, C/o Manecklal Harilal Mills, Ltd., Saraspur, Ahmedabad.	White Road, Broach ..	500	1,000	5,00,000	..	25,888	25,888	21,803	710	421	220	1,129	27	Commenced work on 6th July 1931.
16.	Do. do. do. No. 2															
17.	Do. do. do. No. 3										408	..	..	..	..	Not working since 28th Feb. 1924.
18.	Hatim Mills, Ltd. (formerly Goolam Baba Spinning and Weaving Co., Ltd.) In Vol. Liquidation.	T. J. Mehta, Esq., Official Liquidator, Office Kellapith, Surat.	Lal Darwaja, Surat ..	15,000	100	10,25,900	..	17,820	17,820	..						
19.	Jam Shri Ranjitsinghji Spinning and Weaving Mills Co., Ltd.	Messrs. Lalji Naranji & Co., Secretaries, Treasurers and Agents, Ewart House, Tamarind Lane, Fort, Bombay.	Sholapur	777	1,000	7,77,000	608	19,952	20,560	19,736	507	453	6,336	1,411	309	
20.	Jayanti Mills, Ltd., (formerly Viramgamm Alfred Mills Co., Ltd.)	Messrs. Gordhandas Nathalal & Co., Ltd., Agents, Latil Bldg., Revdi Bazar Railwaypura Post, Ahmedabad.	Viramgamm	7,250	100	6,98,000	..	22,216	22,216	19,517	556	460	2,272	920	307	
21.	Jayashankar Mills, Barsi, Ltd.	Messrs. Zadbuke & Co., Secretaries, Treasurers and Agents, Office on Mill premises.	Barsi Town	20,000	100	11,85,543	..	10,536	10,536	10,534	..	..	2,253	407	310	
22.	Khadi Laxmi Cotton Mills Co., Ltd.	Messrs. Narharilal Kalidas Kevaldas & Co., Ltd., Agents, Office on Mill premises.	Kadi, N. Gujerat	12,000	100	10,80,936	..	13,600	13,600	..	..	..	3,401	305	313	
23.	‡ § Kalol Navjivan Mills (formerly Kalol Swadeshi Mills Co., Ltd.)	Messrs. Rustomjee Mangaldas & Co., Owners, Office on Mill premises.	Kalol, North Gujarat ..	..	..	..	..	15,240	15,240	2,253	306	..	30	232	14	Commenced work from 16th Aug. 1931.
24.	Khandeish Spinning and Wvg. Mills Co., Ltd. ..	Messrs. Mooljee Jaitha & Co., Secretaries, and Treasurers, Ewart House, Tamarind Lane, Fort, Bombay.	Jalgaon, East Khandeish ..	750	1,000	7,50,000	..	22,664	22,664	22,253	459	449	4,082	1,380	311	
25.	‡§ Krishna Kumar Mills Co.	Messrs. Surendranath Maganlal & Co., Agents, Office on Mill premises.	Mahuva (Kathiawar) ..	..	..	..	..	7,200	7,200	7,135	..	..	2,244	269	316	
26.	Lakshmi Cotton Manufacturing Co., Ltd.	The Bombay Co., Ltd., Secretaries, Treasurers and Agents, 9, Walace St., Fort, Bombay.	Sholapur	6,400	250	16,00,000	..	45,792	45,792	41,513	851	730	8,875	3,936	310	
27.	†‡ Lankatpathi Weaving Works	Messrs. Purshottam Ambaram, Proprietors Ambajee Road, Surat.	Rudarpura, Surat	..	..	..	..	..	..	..	26	15	..	20	..	
28.	Lokamanya Mills, Barsi, Ltd.	Messrs. Sulakhe & Co., Managing Agents, Office on Mill premises.	Barsi Town	16,000	125	11,02,451	..	8,366	8,366	8,366	..	..	1,377	324	308	
29.	§ Maharaja Mills Co., Ltd.	Messrs. Hargovindlas D. Kantavala & Co., Agents, Post Box No. 24, Baroda.	Padra Road, Baroda ..	493	1,000	4,95,200	900	15,140	16,040	11,733	400	377	1,969	725	308	

		Mill premises.													
33	Chandrakant Mills, Ltd., (formerly Ahmedabad Vishnu Cotton Mills, Ltd.)	Messrs. Balabhai G rdharial & Co., Agents, Office on Mill premises.	Near Susker Lake, Ahmedabad.		5,000	100	2,36,000	936	16,916	16,952	15,188	403	337	2,183	586	306	
34	City of Ahmedabad Spinning and Manufacturing Co., Limited.	Messrs. Chandulal Karsandas & Co., Ltd., Secs., Treasurers and Agents, Office on Mill premises.	Kankaria Road, Ahmedabad.	A B	4,000 1,539	100 250	4,00,000 3,84,750	..	24,480	24,480	23,933	406	404	3,790	947	298	
35	Commercial Ahmedabad Mills Co., Ltd.	Messrs. Dhunjibhai and Tricumlal & Co., Ltd., Secretaries, Treasurers and Agents, Office on Mill premises.	Outside Premdarwaja, Ahmedabad.		525	1,000	5,25,000	..	26,576	26,576	26,443	606	604	3,551	763	296	
36	Girdhardas Harivallabhdas Mills, Ltd. (formerly Rajnagar Mill No. 2).	Messrs. Chamanlal Mangaldas & Co., Agents, Office on Mill premises.	Outside, Premdarwaja, Ahmedabad.		4,800	125	6,00,000	..	19,080	19,080	18,276	..	..	1,224	424	157	Started work from 1st March 1931.
37	Gordhan Spinning and Manufacturing Co., Ltd. ..	Messrs. Narodia Jekisondas & Co., Agents, Office on Mill premises.	Naroda Road, Ahmedabad.	Old New	5,250 5,233	100 50	5,25,000 2,61,650	..	17,000	17,000	15,949	355	347	2,166	695	306	
38	Gujarat Cotton Mills Co., Ltd.	Messrs. Parikh Shantilal Bhagvandas & Co., Office on Mill premises.	Naroda Road, Ahmedabad.		8,800	125	10,50,250	..	29,176	29,176	26,679	616	595	2,924	1,100	307	
39	Gujarat Ginning and Manufacturing Co., Ltd.	Messrs. Jamnabhai Mansukhbhai, Agents, Post Box No. 49, Ahmedabad.	Outside Kalupur Gate, Ahmedabad.		924	1,000	9,24,000	..	71,640	71,640	63,088	1,840	1,449	5,483	2,950	302	
40	Gujarat Spinning and Weaving Co., Ltd. ..				420	1,000	4,20,000	..	28,368	28,368	28,140	682	671	3,004	1,195	302	
41	Harivallabhdas Mulchand Mills Co., Ltd.	Messrs. Girdharlal Harilal & Co., Agents, Office on Mill premises.	Outside Dariapur Gate, Ahmedabad.		525	1,000	5,25,000	..	17,820	17,820	17,581	448	448	2,187	744	310	
42	Hathising Manufacturing Co., Ltd.	Messrs. Maneklal Manusukhbhai & Co., Agents, Office on Mill premises.	Outside Saraspur Gate, Ahmedabad.		890	250	2,22,500	..	20,448	20,448	14,808	..	..	2,014	425	309	
43	Himabhai Manufacturing Co., Ltd.	Messrs. Dhirajlal Khushaldas & Bros., Agents, Railwaypura Post, Ahmedabad.	Near Saraspur Gate, Ahmedabad.		1,436	125	1,79,500	..	..	..	..	376	349	..	320	305	
44	†Indu Spg. & Wvg. Co., Ltd.	Messrs. Girdhardas & Sons, Managing Agents, Lal Darwaja, Ahmedabad (The Industrial Bank of Western India, Mortagagee in possession).	Near Jaganath Mahadev, Railwaypura, Ahmedabad.		12,000	100	9,26,390	..	13,000	13,000	..	384	..	..	..	..	Mill not working.
45	Jehangir Vakil Mills Co., Ltd.	Messrs. Rustomjee Mangaldas & Co., Ltd., Agents, Office on Mill premises.	Outside Delhi Gate, Ahmedabad.		2,800	250	7,00,000	..	28,924	28,924	28,815	708	682	2,895	1,145	306	Commenced work on 20-12-30. 1984 New Ring Spindles and 25 Looms expected to work from Sept. 1931.
46	Lalbhai Tricumlal Mills, Ltd.	Messrs. Chimubhai Lalbhai and Bros., Ltd., Agents, Office on Mill premises.	Rakhial Road, Ahmedabad.		7,000	100	7,00,000	..	23,456	23,456	21,890	574	523	1,162	860	214	
47	Maneckchowk and Ahmedabad Mfg. Co., Ltd., Nos. 1 and 2.	Messrs. Hiralal Tricumlal, Agent, Office on Mill premises.	Railwaypura Post, Ahmedabad.		525	1,000	5,25,000	..	34,582	34,582	34,509	832	814	3,629	1,416	305	
48	Manerklal Harilal Spinning and Mfg. Co., Ltd. ..	Messrs. Harilal Harivallabdas & Co., Agents, Office on Mill premises.	Saraspur, Ahmedabad ..		430	1,999	4,50,000	..	34,012	34,012	32,247	684	681	4,246	1,257	305	
49	Marsden Spinning and Manufacturing Co., Ltd. ..	Messrs. Marsden Bros. & Co., Ltd., Agents, Railwaypura Post, Ahmedabad.	Gomtipur, Ahmedabad ..		13,653	100	13,65,500	..	21,192	21,192	20,845	482	425	4,185	1,204	305	
50	Monogram Mills Co., Ltd.	Messrs. Manilal Marsden & Co., Ltd., Agents, Office on Mill premises.	Rakhial, Ahmedabad ..		13,001	100	13,00,100	..	21,000	21,000	20,940	528	521	3,880	969	305	
51	Motilal Hirabhai Spinning, Weaving & Mfg. Co., Ltd.	Messrs. Motilal Hirabhai & Sons, Agents, Railwaypura, Ahmedabad.	Outside, Prem Gate, Ahmedabad.		9,990	100	9,99,000	..	32,488	32,448	32,214	726	726	3,546	1,238	310	
52	Nagri Mills, Co., Ltd.	Messrs. Popatlal Chimanlal & Co., Agents, Office on Mill premises.	Jagannath Mahadev Road, Gomtipur, Ahmedabad.		1,100	1,000	7,35,000	..	15,808	15,808	15,749	..	..	3,392	489	307	416 Looms expected to be working in January 1932.
53	National Mills Co., Ltd.	Messrs. Chimanlal and Govindlal & Co., Ltd. Agents, Office on Mill premises.	Gomtipur Road, Ahmedabad.		440	1,000	4,40,000	..	19,712	19,712	19,615	448	443	2,798	804	306	
54	New Commercial Mills, Co., Ltd.	Messrs. Tricumlal Bhogilal & Co., Ltd., Agents, Office on Mill premises.	Naroda Road, Ahmedabad.		525	1,000	5,25,000	..	15,780	15,780	14,630	438	433	3,700	727	305	
55	New Maneckchok Spinning and Weaving Co., Ltd.	Mr. Lallubhai Tricumlal, Agent, Office on Mill premises.	Outside Dariapur Gate, Railwaypura, Ahmedabad		525	1,999	3,25,000	..	27,896	27,896	25,666	676	601	3,023	1,226	305	
56	New Rajpur Mills Co., Ltd., (formerly Rajpur Mill Ltd.)	Messrs. Bhikhabhai Jivabai & Co., Agents, Office on Mill premises.	Gomtipur Road, Ahmedabad.		7,000	100	2,99,963	..	8,580	8,580	7,274	256	240	517	341	310	Spg. Dept. commenced work from 1st January 1931.
57	New Swadeshi Mills of Ahmedabad, Ltd., (formerly Ahmedabad Swadeshi Spinning and Mfg. Co., Ltd.)	Messrs. Sheonarain Surajmal Nemani, Agents, Office on Mill premises.	Naroda Road, Ahmedabad.		14,000	100	5,82,325	..	25,824	25,824	25,315	982	657	3,927	1,050	302	
58	Patell Mills Co., Ltd., (formerly Gomtipur Spinning, Weaving and Manufacturing Co., Limited).	Messrs. Dhirajlal Chunilal & Co., Agents, Office on Mill premises.	Gomtipur Road, Ahmedabad.		4,000	125	1,92,250	..	14,152	14,152	13,509	256	244	1,480	518	308	Loom shed began working from 27th November 1930.
59	Purshotam Spinning and Mfg. Co., Ltd.	Messrs. Mansukhbhai Bhagubhai & Co., Agents, Railwaypura Post, Ahmedabad.	Outside Raipur Gate, Ahmedabad.		472 320 27	1,000 250 125	4,72,000 80,000 3,375	..	25,600	25,600	24,645	480	432	3,227	970	306	
60	Raipur Manufacturing Co., Ltd.	Messrs. Lallbai Dalpatbhai & Co., Agents, Office on Mill premises.	Outside Saraspur Gate, Ahmedabad.		5,000	100	5,00,000	..	36,000	36,000	35,850	860	851	9,300	1,410	305	
61	Rajnagar Spinning, Wvg. & Mfg. Co., Ltd. No. 1	Mr. Mangaldas Girdhardas Parekh, Secretary, Treasurer and Agent, Office on Mill premises.	Railwaypura Post, Camp-Road, Ahmedabad.		4,800	125	5,99,750	..	20,264	20,264	19,304	618	581	5,634	958	306	For Mill No. 2 *See* Mill Serial No. 36
62	Do. do. do. do. No. 3							..	27,448	27,448	25,771	740	691		1,152	306	
63	Rustom Jehangir Vakil Mills Co., Ltd.	Messrs. Rustomji Manilal & Co., Secretaries, Treasurers and Agents, Offices on Mill premises.	Outside Delhi Gate, Ahmedabad.		3,500	100	3,50,000	..	16,564	16,564	15,227	390	384	2,520	700	305	
64	Sarangpur Cotton Manufacturing Co., Ltd. No. 1	Messrs. Sakarlal Balabhai & Co., Agents, Office on Mill premises.	Outside Raipur Gate, Ahmedabad.		464	1,000	4,64,000	..	27,080	27,080	26,909	576	571	3,920	1,121	305	
65	Do. do. do. No. 2							..	17,112	17,112	17,007	476	476	2,844	758	301	
66	Sarasipur Mills, Ltd., (formerly Saraspur Manufacturing Co., Ltd.)	Messrs. Lallbai Dalpatbhai Sons & Co., Agents, Office on Mill premises.	Near Saraspur Gate, Ahmedabad.		6,000	100	6,00,000	..	33,096	33,096	33,096	860	860	4,857	1,315	311	
67	Shorrock Spinning and Manufacturing Co., Ltd. ..	Messrs. Mafatlal Chandulal & Co., Agents, Office on Mill premises.	Asarva Road, Ahmedabad.	Ord. Founders	325 100	1,000 25	3,25,000 2,500	..	30,224	30,224	27,804	664	651	2,590	1,149	310	
68	Shri Ambica Mills, Ltd.	Messrs. Harivallabhdas Kalidas & Co., Office on Mill premises.	Kankaria Loco. Siding, Ry. Pura, Ahmedabad.		3,500	100	3,50,000	..	14,450	14,450	13,186	324	301	1,601	629	299	
69	Shri Laxmi Weaving and Manufacturing Co., Ltd. ..	Messrs. Munshaw & Co., Agents, Office on Mill premises.	Rajpur, Gomtipur Road, Ahmedabad.		4,132	50	2,07,600	..	..	..	..	208	198	..	183	315	
70	Shrinagar Weaving and Manufacturing Co., Ltd. ..	Messrs. Govindbhai Maneklal & Co., Agents, and Treasurers, Office on Mill premises.	Near New Railway Overbridge, Ahmedabad.		6,000	100	5,20,659	..	13,832	13,832	13,053	718	715	2,922	850	303	
71	Shri Vivekanand Mills, Ltd.	Messrs. Nanubhai Maneklal & Co., Agents, Office on Mill premises.	Gomtipur Road, Ahmedabad.		3,400	125	3,98,725	..	..	..	..	320	291	..	265	303	
72	Silver Cotton Mills Co., Ltd.	Messrs. Gopalbhai Balabhai & Co., Secs, Treasurers and Agents, Office on Mill premises.	Kankaria Road, Ahmedabad.		3,840	250	9,60,000	..	19,420	19,420	19,300	506	501	3,270	838	304	9,000 spindles in course of erection and will work shortly.
73	†‡ Valabh Weaving Mills Co.	Sheth Bhagubhai Chunilal, Proprietor, Office on Mill premises.	Gomtipur Road, Ahmedabad.		..	..	....	..	..	..	..	60	..	..	..	..	Not working.
74	Vijaya Mills Co., Ltd.	Messrs. Haridas Achratlal & Co., Agents, Office on Mill premises.	Naroda Road, Ahmedabad.		7,000	100	7,00,000	..	15,448	15,448	10,448	408	258	540	585	81	
75	‡ Vijay Weaving Works	Messrs. Shah Madhavlal Bhogilal, Owners, Revdi Bazar, Cross Lane, Railwaypura Post, Ahmedabad.	Shahapur, Ahmedabad ..		....	..	....	..	..	..	..	20	19	..	15	310	
76	Vikram Mills, Ltd.	Messrs. Ramanlal Lallubhai & Bros., Agents, Office on Mill premises.	Outside Rakhial Gate Ahmedabad.		500	1,000	5,00,000	..	24,468	24,468	23,406	600	580	3,749	1,024	312	
					....	..	4,32,66,622	7,112	17,36,411	17,43,523	16,19,273	40,022	37,320	2,06,904	69,562		

† Statement not received. Figures taken from last year's statement.

‡ Proprietary Concern.

§ Native States and Foreign Territory.

British India Press, Bombay.

		H. H. Seth Manordas Harakchand, Owner, Office on Mill premises.	Nadiad, Zilla Kaira	..	..	..	..	2,200	12,000	14,200	..	..	..	..	..	..	..	Not working since February 1923.
31.	‡ Narayandas Chunilal Cotton Spg. and Wvg. Mills (formerly Gadag Cotton Spinning and Weaving Mills).	Seth Motilal Chunilal, Sole Proprietor, Office on Mill premises.	Gadag, Dharwar (West)	..	..	..	1,400	16,000	18,000	9,738	200	..	1,360	505	312	Looms not working.
32.	† Narsinggirji Manufacturing Co., Ltd.	Raja Bahadur Narsinggirji Gyangirji, Agent, Office on Mill premises.	Station Road, Sholapur	1,000	1,000	10,00,000	..	62,848	62,848	60,812	906	891	9,302	3,374	..	
33.	§ New Baroda Mills Co., Ltd.	Messrs. Javerchand Laklumichand Bros. & Co., Sec., Treasurers and Agents, Office on Mill premises.	Near Goya Gate Station, Baroda.	12,500	100	10,80,500	..	22,080	22,080	21,696	355	338	2,469	735	306	
34.	†§ New Darbhanga Mills (formerly Darbhanga Spg. & Wvg. Mills, Ltd.)	H. H. Rameshwar Singh, Maharajadhiraja Bahadur, of Dharbhanga, Proprietor, Messrs. Sitalprasad Katagrassad, Managing Agents, Office on Mill premises.	Opp. Ry. Station, Navsari.	..	..	..	..	15,104	15,104	..	378	..	108	659	79	Worked from 31st Aug. 1930 to 30th October 1930. Mill is being re-organised.
35.	§ New Jehangir Vakil Mills Co., Ltd., (formerly Venishanker Laxmishunker Cotton Mills Co., Ltd.)	Messrs. Rustomji Mangaldas & Co., Agents, Bhavnagar.	Bhavnagar	1,400	250	3,50,000	..	29,800	29,800	28,144	727	700	3,311	1,215	310	
36.	New Pratap Spg., Weaving and Mfg. Co., Ltd.	Messrs. Motilal Maneckchand & Sons, Agents, Office on Mill premises.	Dhulia, W. Khandesh	30,000	100	27,29,200	..	25,844	25,844	25,844	593	593	3,570	1,550	311	
37.	New Shorrock Spinning and Manufacturing Co., Ltd., (formerly Nadiad Swadeshi Spinning, Weaving and Manufacturing Co., Ltd.)	Messrs. Mafatlal Chandulal & Co., Secretaries, Treasurers and Agents, Asarva Road, Railwaypura Post, Ahmedabad.	Nadiad Dist., Kaira	1,300	250	3,25,000	..	39,936	39,936	38,965	858	840	2,884	1,836	299	
38.	§ Petlad Bulakhidas Mills Co., Ltd.	Messrs. Motilal Kashandas & Co., Secs., Treasurers & Agents, Station Rd., Petlad.	Near Station Road, Petlad.	10,000	100	10,00,000	..	19,216	19,216	18,609	..	..	4,104	642	317	
39.	Pratap Spg., Wvg. and Mfg. Co., Ltd.	Messrs. Motilal Maneckchand & Co., Agents, Office on Mill premises.	Amalner, East Khandesh.	15,000	100	15,00,000	432	40,024	40,456	40,104	960	960	5,753	2,376	310	
40.	Raja Bahadur Motilal Poona Mills, Ltd., (formerly Poona Cotton and Silk Manufacturing Co., Ltd.)	Messrs. Govindlal Mukundlal & Co., Agents, 58/64, Custom House Rd., Fort, Bombay	Near Ry. Station, Poona	24,210	100	24,21,000	..	17,028	17,028	16,872	482	459	1,570	764	309	
41.	† ‡ § Rajkot States Cotton Mills	Rajkote State..	Karansinghji Cross Road, Karanpura, Rajkot, (Kathiawar).	..	..	..	..	7,200	7,200	7,200	147	147	1,432	350	..	
42.	§ Rajratna Narainbhai Mills Co., Ltd.	Messrs. Ramanlal Keshavlal & Co., Agents, Office on Mill premises.	Petlad (Baroda)	15,000	100	14,55,820	..	18,560	18,560	18,240	..	..	3,086	537	312	
43.	‡ Seth Dayaram Sugnichand Weaving Mills	Seth Dayaram, Owner, Rohri, (N. W. Ry.)	Sind Canal Road, Shikarpur (Sind).	..	..	..	..	..	..	..	34	29	..	40	..	
44.	Sholapur Spinning and Weaving Co., Ltd.	Messrs. Morarjee Goculdas & Co., Agents, New Sudama House, Wittet Road, Ballard Estate, Fort, Bombay.	Station Road, Sholapur	800	1,000	8,00,000	10,772	1,00,588	1,11,360	1,00,819	2,225	1,917	12,196	5,864	310	
45.	§ Shree Sayaji Jubilee Cotton & Jute Mills Co., Ltd.	Messrs. Prelhadji Sevakram & Co., Agents, opposite Station, Sidhpur (R.-M. Ry.)	Sidhpur (R.-M. Railway) opp. Ry. Station.	5,211	100	5,21,100	..	12,876	12,876	12,876	320	314	2,015	650	315	
46.	‡ § Shri Gajanan Weaving Mills	Mr. V. R. Velankar, Managing Proprietor, Office on Mill premises.	Sadamapuri, Sangli, S. M. Country.	..	..	..	..	..	..	..	50	48	..	175	300	
47.	Shri Laxmi Narayan Mills of the New Ginning, Pressing & Manufacturing Co., Ltd.	Sheth Narayan Bankat Bundelkhandi, Managing Agent, Office on Mill premises.	Chalisgaon, East Khandesh.	20,000	100	19,07,500	..	21,092	21,092	20,535	544	460	3,052	850	310	
48.	§ Shri Sayaji Mills Co., Ltd.	Messrs. Samel Bechar & Co., (P. O. Box 29), Baroda.	Near Old Railway Station, Baroda.	525 846	1,000 100	5,25,000 84,600	..	22,324	22,324	21,510	592	565	1,647	864	310	
49.	‡ § Shri Shahu Chhatrapati Spg. & Wvg. Mills	H. H. The Chhatrapati Maharaja Saheb of Kolhapur, Owner, Kolhapur-Shahupuri.	Shahupuri, Kolhapur, S. M. C.	..	..	..	416	15,760	16,176	14,288	177	155	2,150	753	305	
50.	§ Sidhpur Mills Co., Ltd.	Messrs. Maganlal Parbhudas & Co., Agents, Office on Mill premises.	Sidhpur	5,000	100	4,99,150	..	19,264	19,264	19,254	..	..	4,937	309	316	
51.	Surat Cotton Spinning and Weaving Mills, Ltd.	Mr. Mafatlal Gagalbhai, Managing Director, 29, Churchgate Street, Fort, Bombay.	Nawabwadi, Surat	3,000	1,000	30,00,000	..	16,108	16,108	15,370	408	403	1,038	732	312	
52.	Surat Industrial Mills	The Maharaja of Darbhanga, Proprietor, Office on Mill premises.	Sahara Gate, Surat	..	..	..	..	..	..	..	422	..	..	..	..	Not working. Spindles destroyed by fire.
53.	Surat Weaving Mills, Limited, (In Vol. Liquidation).	Messrs. M. N. Hatimbhoy & Co. Secs. Trs. & Agents, Office on Mill Premises.	Sumt	3,000	100	3,00,000	..	..	..	..	220	..	..	..	..	Not working since October 1923.
54.	Suryaprakash Weaving Factory	Mr. Dayaram Harkisondas Chenti, Proprietor, Office on Mill premises.	Near Station Road, Surat.	..	..	..	..	..	..	..	32	15	..	30	..	
55.	† Suryapur Mills Co., Ltd.	Messrs. Madhavje Thackersey & Co., Proprietors, Bruce Street, Bombay.	Varachha Road, Surat	..	..	..	..	..	..	..	326	..	..	..	..	Not working.
56.	Tapidas Govanram Khaddar Factory	Mr. Motiram Tapidas Hathiwala, Proprietor, Office on Mill premises.	Begumpura, Surat	..	..	..	..	..	..	..	60	40	..	60	289	
57.	Tikekar Textile Mill, Ltd.	Mr. L. V. Tikekar, Managing Agent, Office on Mill premises.	Tikekerwadi, Sholapur Dt.	2,000	100	90,683	..	..	..	..	35	13	..	51	307	
58.	Vasant Spg. & Wvg. Mills, Ltd. (formerly Saraswati Ginning & Mfg. Co., Ltd.)	Messrs. Vasantlal Maganlal & Co., Agents, Office on Mill premises.	Broach	400	1,000	4,00,000	..	17,512	17,512	11,550	444	204	235	632	40	
59.	‡ § Venkatesh Rangatantu Mills	Mr. V. K. Datar, Owner, Office on Mill premises.	Inchalkaranji, S. M. C.	..	..	60,000	..	..	..	..	30	30	..	60	300	
60.	Vishnu Cotton Mill, Ltd.	The Bombay Co., Ltd., Secretaries, Treasurers and Agents, 9, Wallace Street, Fort, Bombay.	Sholapur	4,800	500	24,00,000	..	49,392	49,392	47,893	1,254	1,197	8,832	3,443	310	
61.	Wadhwan Camp Mills, Ltd.	Messrs. L. M. Mehta & Co., Agents, Albert Building, Hornby Road, Fort, Bombay.	Wadhwan Civil Station, (Kathiawar).	10,000	100	5,50,100	600	12,760	13,360	13,274	217	212	2,291	605	325	
						4,76,58,213	19,376	11,00,334	11,19,710	9,90,258	21,136	17,005	1,54,960	51,738		

Note :—This statement does not contain names of weaving mills having less than 20 looms.

THE MILLOWNERS' A

MILL STATEMENT F

PAR

MILLS OUTSIDE THE

NAMES OF MILLS.	NAMES OF AGENTS OR OWNERS AND OFFICE ADDRESSES.	SITUATION OF MILL.	CAPITAL.			NUMBER OF SPINDLES.			Average Number of Spindles at work daily.	Number of Looms.	Average Number of Looms at work daily.	Approximate quantity of Cotton consumed during the year in candies of 784 lbs.	Average Number of Hands employed daily.	Total Number of days worked from 1st Sept. 1930 to 31st Aug. 1931.	REMARKS
			Number of Shares.	Nominal value of each Share.	Total amount of Capital paid up.	Mule.	Ring.	Total.							
RAJPUTANA.				Rs.	Rs.										
1. Edward Mills Co., Ltd.	Messrs. Gadhmal Lodia and R. S. Kunwar Motilal, Agents, Digge Street, Beawar, (Rajputana).	Beawar	1,280	500	6,40,000	4,200	11,296	15,496	15,486	318	316	3,310	858	305	
2. Krishna Mills, Ltd.	Messrs. Thakurdass Khinvraj & Co., Secretaries, Treasurers and Agents, Beawar, (Rajputana).	Near Rly. Station, Beawar	1,400	500	7,00,000	4,600	16,824	20,424	19,869	532	434	4,435	981	309	
3. Mahalakshmi Mills Co., Ltd.	Messrs. Sheth Lalchand Kothari and Seth Vithaldas Rathi, Secretaries, Treasurers and Agents, Beawar.	Beawar.	13,000	100	12,99,000	..	8,800	8,800	8,492	256	253	1,661	505	309	2,404 Ring Spindles & 96 Looms in course of erection.
4. ††‡ Maharajah Kishengarh Somyag Mills Co., Ltd. (Transformed)	Messrs. Callianji Damodhur & Co., Agents, Madanganj, Kishengarh.	Kishengarh (Rajputana).	66,069	10	6,60,690	10,080	6,416	16,496	16,000	..	..	5,600	425	..	
5. New Weaving and Trading Co., Ltd.	Messrs. Madan Gopal Purshotamdas Khanna, Mg. Agents, Office on Mill premises.	Anasagar Ghati, Ajmer	20,000	25	1,26,875	..	..	..	..	72	32	..	96	308	
		Total	....	..	34,27,165	17,880	43,336	61,216	56,847	1,178	1,035	15,026	2,865		
BERAR.															
1. Berar Manufacturing Co., Ltd.	Messrs. Kasturchand Dadabhoy & Co., Agents, Lloyd Building, Graham Road, Ballard Estate, Fort, Bombay.	Badnera	2,750	200	5,50,000	..	19,908	19,908	19,890	369	359	3,201	1,244	310	
2. ‡ R. S. Reckchand Gopaldas Mohota Spg. and Wvg. Mills, Akola (formerly Akola Cotton Mills, Ltd.)	Seth R. S. Reckchand Gopaldas Mobota, Proprietor, Hinganghat.	Akola	....	..	....	1,068	21,408	22,476	20,796	458	430	4,362	1,430	311	
3. Savatram Ramprasad Mills Co., Ltd.	Seth Savatram Ramprasad, Agent, Akola, (Berar.)	Tajnapeth, Akola	1,510	500	7,55,000	..	11,652	11,652	11,366	250	240	2,531	796	311	
4. Vaidarbha Mills, Berar, Ltd.	Messrs. V. H. Deshmukh & Co., Secretaries, Treasurers and Agents, Namuna, Amroati.	Elichipur, Amraoti Dist.	20,757	100	16,60,500	..	10,684	10,684	10,620	272	213	2,182	715	313	
		Total	....	..	29,74,500	1,068	63,652	64,720	62,672	1,349	1,202	12,276	4,205		
CENTRAL PROVINCES.															
1. Bengal-Nagpur Cotton Mills, Ltd.	Messrs. Shaw Wallace & Co., Managing Agents, Post Box No. 70, 4, Bankshall Street, Calcutta.	Raj-Nandgaon, C. P.	Ord. 90,000 / Pref. 3,000	10 / 100	12,00,000	..	31,468	31,468	31,199	624	623	6,413	2,076	310	
2. Burhanpur Tapti Mill, Ltd.	Messrs. Cowasji Dinshaw & Brothers, Secretaries, Treasurers and Agents, 121, Meadows Street, Fort, Bombay.	Burhanpur, Lal Bag, Nimar District, C. P.	12,000	100	12,00,000	416	26,256	26,672	24,687	497	489	3,423	1,595	306	
3. Central India Spinning, Weaving and Mfg. Co., Ltd. (Empress Mills).	Messrs. Tata Sons, Ltd., Agents, Bombay House, 24, Bruce Street, Fort, Bombay.	Nagpur, C. P.	Ord. 46,875 / Pref. 10,000	100 / 500	68,87,500	..	1,01,008	1,01,008	99,495	2,196	2,160	20,333	7,302	310	
4. Model Mills, Nagpur, Ltd.	Messrs. Bansilal Abirchand Dadabhoy & Co., Agents, Lloyd Bldg., Graham Road, Ballard Estate, Fort, Bombay.	Umrer Road, Nagpur, C.P.	37,337	250	93,34,250	..	52,408	52,408	50,689	1,021	1,014	10,679	3,219	308	
5. Pulgaon Cotton Spinning, Weaving and Manufacturing Co., Ltd.	Seth Laxminarayan Agarwal & Ramchandra Bhargao Gadgil, Managing Directors, Office on Mill premises.	Pulgaon, Dist. Wardha, C. P.	Old 1,000 / New 2,000	500 / 250	8,99,250	..	16,404	16,404	13,083	225	186	2,789	956	308	
6. ‡ Rai Bahadur Bansilal Abirchand Spinning and Weaving Mill.	Rai Bahadur Sir Biseserdass Daga, Kt., & Bros. (Private Owners), Victoria Road, Civil Lines, Sir Kasturchand Building, Nagpur, C. P.	Hinganghat, Dist. Wardha, C. P.	....	..	27,69,045	..	31,276	31,276	29,559	394	365	5,029	1,045	308	
7. ‡ Rai Saheb Raikchand Mohota Spinning & Weaving Mill.	Seth Mathuradas Mohota, M.L.C. & Gopaldas Mohota, (Private Owners), Hinganghat.	Do. do.	....	..	....	..	21,672	21,672	20,957	413	394	4,273	1,301	..	
8. Raja Gokuldas Mills, Ltd. (formerly Gokuldass Bullubhdas Cotton Manufacturing Co., Ltd.)	Messrs. Mangaldas Mehta & Co., Agents, Laldarwaja, Ahmedabad.	Ranital, Jubbulpore, C.P.	6,000	100	6,00,000	..	20,324	20,324	18,428	450	427	1,777	890	278	
		Total	....	..	2,52,90,045	416	3,00,816	3,01,232	2,88,097	5,820	5,658	54,718	19,074		
HYDERABAD (NIZAM'S TERRITORY.)															
1. § Aurungabad Mills, Ltd.	Messrs. Doraswami Iyer & Co., Agents, 32, Victoria Buildings, Parsee Bazar Street, Fort, Bombay.	Aurungabad, Deccan.	1,200	1,000	6,44,000	9,240	7,476	16,716	14,575	218	193	1,627	844	282	
2. § Dewan Bahadur Ramgopal Mills, Ltd.	Dewan Bahadur Sett Lachminarayan Ramgopal, Governing Director, 25, St. John's Road, Secunderabad.	Elichigudda, Hyderabad (Deccan).	5,996	400	23,98,400	..	16,376	16,376	15,467	303	182	1,966	706	309	
3. § Hyderabad (Deccan) Spinning and Weaving Co., Ltd.	Messrs. Ramanuah Bhoomiah and Venkata Kristniah, Secretaries, Treasurers and Agents, Secunderabad Messrs. Ewart Latham & Co., Attorneys, Ewart House, Tamarind Lane, Fort, Bombay.	Secunderabad (Deccan)	700	1,200	7,00,000	..	17,520	17,520	5,600	275	..	52	315	21	Re-started work carding & Spg. only from 31st August 1931.

SSOCIATION, BOMBAY

OR 31st AUGUST 1931

T III

BOMBAY PRESIDENCY

NAMES OF MILLS.	NAMES OF AGENTS OR OWNERS AND OFFICE ADDRESSES.	SITUATION OF MILL.	CAPITAL.			NUMBER OF SPINDLES.			Average Number of Spindles at work daily.	Number of Looms.	Average Number of Looms at work daily.	Approximate quantity of Cotton consumed during the year in candies of 784 lbs.	Average Number of Hands employed daily.	Total Number of days worked from 1st Sept 1930 to 31st Aug 1931.	REMARKS.
			Number of Shares.	Nominal value of each Share.	Total amount of Capital paid up.	Mule.	Ring.	Total.							
UNITED PROVINCES OF AGRA AND OUDH.				Rs.	Rs.										
1. Agra Spinning and Weaving Mills Co., Ltd. (In Liquidation.)	Messrs. Bhagavati Sankar and Hazarilal Kapur, Official Liquidators, 11, City Road, Allahabad.	Jeoni-ka-Mandi	4,065	100	4,06,500	13,992	..	13,992	13,040	..	..	3,146	465	301	
2. Agra United Mills, Ltd. (formerly John's Coronation Spinning Mill).															
3. Agra United Mills, Ltd. (formerly John's Princess of Wales Spinning Mill).	Major A. V. John, Receiver and Manager, Office on Mill premises.	Rajaghat and Jeoni-ka-Mandi, Agra.	Pref. 50,000	100	17,50,809	51,360	..	51,360	49,893	..	..	12,754	1,767	302	
4. Agra United Mills, Ltd. (formerly John's Spinning Mill).			Ord. 5,00,000	10	47,48,100										
5. Agra United Mills, Ltd. (formerly John's Wvg. Mill) ..															
6. ‡ Atherton Mills	Messrs. Atherton West & Co., Ltd., Owners, Post Box No. 67, Cawnpore.	Anwarganj, Cawnpore ..	....	..	....	..	24,000	24,000	24,000	680	680	4,000	1,000	300	
7. Benares Cotton and Silk Mills, Ltd.	Messrs. Sital Prasad Kharag Prasad, Mg. Agents, Office on Mill premises.	Chowkaghat, Benares Cantonment.	Ord. 6,00,000 Pref. 15,000	10 100	41,47,971	442	16,180	16,622	16,322	384	373	1,580	984	303	400 Ring Spindles and 100 Looms in course of erection.
8. * Biji Mills, Branch of the David Mills, Ltd., Bombay (fromerly Tulsidas Tejpal Mills, Ltd.).	Messrs. E. D. Sassoon & Co., Ltd., Agents, 15, Dougall Road, Ballard Estate, Fort, Bombay.	Mendu Gate, Hathras City, U. P.	....	..	....	..	12,780	12,780	12,485	..	..	4,637	488	312	For Capital see foot note.
9. ‡ Cawnpore Cotton Mills Co. (C. C. M.)	The British Indian Corporation, Ltd., Owners, Post Box No. 3, Cawnpore.	Cooperganj, Cawnpore, Juhi, Cawnpore.	....	..	....	37,476	14,272	51,748	51,706	959	897	10,259	2,803	285	
10. ‡ Do. do. do. (Kakomi)						26,352	..	26,352	26,352	..	..	6,277	546	289	
11. Cawnpore Textiles, Ltd.	Messrs. Begg Sutherland & Co., Ltd., Mg. Agents, Sutherland House, Cawnpore.	Chinghighar, Cawnpore ..	2,54,162	7-8-0	19,06,215	15,840	14,080	29,920	29,671	10	10	7,019	948	295	
12. Elgin Mills Co., Ltd.	Messrs. Begg Sutherland & Co., Ltd., Mg. Agents, Sutherland House, Cawnpore.	Civil Lines, Cawnpore ..	32,000	100	32,00,000	34,272	19,174	53,446	51,796	1,236	1,164	10,574	2,733	294	
13. † Juggilal Kamalpat Cotton Spinning and Wvg. Mills Co., Ltd.	Lala Lakshmipat, Director, Chatal Mohal, Cawnpore.	Anwarganj, Juhi, Cawnpore	....	..	27,00,000	..	50,000	50,000	50,000	1,000	1,000	2,101	1,500	..	
14. † Lalla Mal Hardeo Dass Cotton Spinning Mill Co. ..	Lala Bankey Lal Sahib, Proprietor, Office on Mill premises.	Sadabad Gate, Hathras City, Aligarh District.	....	..	....	13,748	7,912	21,660	20,000	..	..	4,318	638	283	
15. Moradabad Spinning and Weaving Mills Co., Ltd. ..	Mr. H. D. Gauttam, Secretary, Office on Mill premises.	Moradabad	853	500	4,26,500	10,080	..	10,080	9,291	..	..	2,708	286	310	
16. Muir Mills Co., Ltd.	Sir Thomas Smith, Kt., Managing Director, Cawnpore.	Cawnpore	Ord. 30,000 Pref. 30,000	50	30,00,000	43,128	42,336	85,464	84,563	1,554	1,472	13,889	3,093	288	
17. † ‡ Munna Lal Spinning Mills	Messrs. Munnalal & Co., Owners, Munna Lal Street, Cawnpore.	Sachedi P. O. (Dist. Cawnpore).	....	..	....	2,600	..	2,600	..	..	..	..	..	..	Mill not working since July 1927.
18. ‡ New Ramchand Cotton Mill Co. (formerly Ramchand Hardeodas Cotton Spinning Mills).	Messrs. Harcharandas, Purshottamdas, Proprietors and Agents, Murnan Gate, Hathras City.	Hathras City, Aligarh Dist.	....	..	....	11,074	9,848	20,922	20,310	110	84	3,860	691	292	
19. New Victoria Mills, Co., Ltd.	C. T. Allen, Esq., C.I.E., & Mrs. J. P. Srivastava, M.Sc., M.L.C., Joint Managing Directors, Post Box No. 46, Cawnpore.	Gwaltoli, Cawnpore	Ord. 7,15,953 Pref. 3,21,100 Def. 2,07,500	2-8-0 5 1	34,99,166	66,792	37,544	1,04,336	82,815	1,624	1,502	13,630	4,016	287	
20. Prem. Spinning and Weaving Mills Co., Ltd. ..	Messrs. Kriparam Brijlal, Managing Agents, Ujhani, (U.P.)	Ujhani (District Badaun)	50,000	100	23,23,528	..	17,600	17,600	17,600	..	..	4,650	580	303	
21. Ramchand Gursahaimal Cotton Mills Co., Ltd. ..	S. R. Khanna, Esq., Managing Director, Lucknow.	Talkatora, Lucknow	Ord. 50,000 8% Pref. 32,000 Def. 8,000 8% Def. 600	10 500	11,93,004	..	17,888	17,888	17,888	250	250	2,269	947	302	
22. ‡ Shri Radhakrishna Mills	Rai Sahib Babu Kishanprasad (Owner), Office on Mill premises.	Kote Ghat, Mirzapur ..	....	..	3,00,000	..	..	..	..	62	30	..	100	..	
23. Swadeshi Cotton Mills Co., Ltd.	H. Horsman, Esq., Managing Director, Post Box No. 19, Cawnpore.	Juhi, Cawnpore ..	35,000	100	35,00,000	1,060	45,000	46,060	46,060	819	800	10,090	2,905	304	
		Total ..	....	..	3,31,01,784	3,28,216	3,28,634	6,56,850	6,23,792	8,688	8,262	1,17,761	26,514		
MADRAS PRESIDENCY.															
1. Buckingham Mill Co., Ltd.	Messrs. Binny & Co. (Madras), Ltd. Managing Agents, 7, Armenian Street, Madras.	Perambore, Madras.	Ord. 89,209	100	1,10,50,900	..	46,096	46,096	43,426	1,400	1,400	11,907	4,683	302	
2. Carnatic Mill Co., Ltd.			Pref. 21,300	100		..	48,940	48,940	48,680	1,338	1,333	10,866	4,635	302	
3. ‡ C. Aaron & Sons Weaving Factory	Messrs. C. Aaron & Son, Proprietors, Office on Mill premises.	Pappinissery, North Malabar.	....	..	....	..	..	..	..	46	43	..	85	307	1,548 Additional Ring Spindles will be working from Sept. 1932.
4. Cambodia Mills, Ltd.	Messrs. Pierce Leslie & Co., Ltd., Managing Agents & Secretaries, Coimbatore.	Ondiputhur, Coimbatore	Pref. 616	100	61,600	..	13,368	13,368	7,711	..	..	2,850	352	313	
Coimbatore Cotton Mills, Ltd.	Messrs. B. Boone Smith & Co., Agents,	Coimbatore Dt	Ord. 80,000	10	7,80,100										

4.	§ Manmoosa Sugar Refining, Manufacturing and Trading Co., Ltd.															
5.	§ Osmanshahi Mills, Ltd.	1727, Gunj Bazar, Secunderabad (Deccan) Messrs. Currimbhoy Ebrahim & Sons, Ltd., Agents, 12/14, Outram Road, Fort, Bombay.	Nanded (Nizam's Dominions).	50,000	100	37,50,000	..	24,708	24,708	24,432	429	429	4,428	1,233	306	
	CENTRAL INDIA.		Total ..	....	..	67,85,400	9,240	94,112	1,03,352	87,954	1,627	1,035	11,810	4,434		
1.	§ Binod Mills Co., Ltd.	Messrs. Binodiram Balchand, Secretaries, Treasurers and Agents, Jhalrapatan City, Rajputana.	Ujjain, Gwalior	21,000	100	5,00,000	..	26,712	26,712	25,277	747	736	5,365	1,693	310	
2.	‡ § Cotton Ginning, Spg. and Wvg. Mills (Nazarali Mills).	Khan Saheb Nazarally Haji Alabuxji, Muniruddin, Proprietor, Office on Mill premises.	Hijatpura, Ujjain, Gwalior, C. India.	....	..	....	..	19,398	19,398	19,000	400	350	10,000	1,075	305	
3.	§ H. H. The Maharaja Spinning and Weaving Mills ..	Messrs. Pannalal Nandalal Bhandari & Co., Ltd., Lessees, State Mills, Indore.	Indore City	9,075	100	9,07,050	..	17,540	17,540	14,369	505	495	2,803	882	308	
4.	§ Hukamchand Mills, Ltd.	Messrs. Sarupchand Hukamchand & Co., Secretaries, Treasurers and Agents, Office on Mill premises.	Do. do.	20,150	100	20,15,000	468	39,992	40,460	40,009	1,182	1,136	8,581	2,883	312	
5.	§ Indore-Malwa United Mills, Ltd., Old Mills (No. 1)	Messrs. Currimbhoy Ebrahim & Sons, Ltd. Secretaries, Treasurers and Agents, Currimbhoy House, 12-14, Outram Road, Fort, Bombay.	Indore ..	20,000	100	20,00,000	..	42,812	42,812	41,687	1,293	1,248	11,244	2,720	302	
6.	§ Indore-Malwa United Mills, Ltd., New Mills (No. 2)						2,182	960	3,142	2,713	20	20		284	302	
7.	§ Jiyajeerao Cotton Mills, Ltd.	Messrs. Birla Bros., Ltd., Managing Agents, 8, Royal Exchange Place, Calcutta.	Gwalior, near Morar Road Station, G. I. P. Ry.	3,50,000	10	30,00,360	..	28,976	28,976	27,824	780	759	15,789	2,219	320	
8.	§ Kalyanmal Mills, Ltd.	Messrs. Tillockchand Kalyanmal & Co., Secretaries, Treasurers & Agents, Office on Mill premises.	Silnath Camp, Indore	42,000	100	42,55,580	..	32,440	32,440	32,020	1,010	1,010	6,947	2,170	309	
9.	§ Nandlal Bhandari Mills, Ltd.	Messrs. Nandlal Bhandari and Sons, Secretaries, Treasurers and Agents, Office on Mill premises.	Indore City	30,000	100	29,99,950	140	28,308	28,448	20,362	663	578	5,338	1,147	309	
10.	§ Rajkumar Mills, Ltd.	Sir Sarupchand Hukamchand & Co., Agents, Office on Mill premises.	Do. do.	21,000	100	20,29,100	..	19,728	19,728	18,239	525	515	5,572	1,346	310	Spg. started work in Nov. 1930.
11.	§ Shree Sajjan Mills, Ltd., (formerly Rutlam Bombay United Spg. & Wvg. Co., Ltd.).	Messrs. Goculdas Doongersey & Co., Agents, Morarbhai Building, Apollo Street, Bombay.	Rutlam	15,000	100	15,00,000	..	10,080	10,080	6,980	309	204	1,451	361	261	Wvg. started work in Jan. 1931.
12.	§ Sipra Cotton Spg. & Wvg. Co., Ltd.	Messrs. Sorabjee Mayashanker & Co., Secretaries, Treasurers and Agents, Office on Mill premises.	Ujjain, Gwalior State	25,000	100	17,88,193	..	15,690	15,690	..	398	..	..	..	..	Not working since 29th Feb. 1924.
13.	§ Swadeshi Cotton and Flour Mills, Ltd.	Messrs. Jagannath Narayan & Co., Managing Agents, Silnath Camp, Indore.	Indore City	20,000	100	19,52,500	..	12,648	12,648	11,076	324	315	4,880	831	298	
	BENGAL PRESIDENCY.		Total ..	....	..	2,40,37,733	2,790	2,95,284	2,98,074	2,59,150	8,156	7,366	78,030	17,611		
1.	Bangeswari Cotton Mills, Ltd.	H. N. Mullik, Esq., L. T. M., Managing Director, 14, Clive Street, Calcutta.	Serampore	60,000	10	1,61,006	..	..	..	..	53	50	..	60	..	Commenced work in Sept. 1931.
2.	Bengal Luxmi Cotton Mills, Ltd.	Messrs. The Bengal Textile Agency, Ltd., Managing Agents, 28, Pollock Street, Calcutta.	Mahesh, Serampore, Dist. Hooghly, Bengal.	1,800	100	17,78,200	..	35,632	35,632	35,050	724	716	4,988	1,627	308	
3.	Bharat Abhyuday Cotton Mills, Ltd.	Messrs. Sital Prasad Kharag Prasad, Managing Agents, 31 and 31/1, Burtolla Street, Calcutta.	Goosery Road, Howrah, Bengal.	Ord. 4,00,000	10	30,02,070	18,188	26,176	44,364	43,912	264	261	4,752	1,510	288	
				Pref. 10,000	100											
4.	Bowreah Cotton Mills Co., Ltd.	Messrs. Kettlewell, Bullen & Co., Ltd., Mg. Agents, 21, Strand Road, Calcutta.	Bowreah, Dist. Howrah, Bengal.	18,000	100	48,00,000	..	46,672	46,672	45,395	..	..	8,311	1,756	302	
5.	Dhakeswari Cotton Mills, Ltd.	Messrs. A. B. Guha, R. M. Basak, and S. K. Basu, Mg. Directors, 6 Ananda Chandra Roy Street, Dacca.	Dhamgarh, Narayanganj, (Dacca).	3,00,000	10	24,05,305	..	21,008	21,008	19,347	494	470	2,444	871	307	
6.	Dunbar Mills, Ltd., No. 1	Messrs. Kettlewell Bullen & Co., Secretaries, 21, Strand Road, Calcutta.	Shamnagar, District 24-Parganahs.	Ord. 14,000	100	19,00,000	..	12,960	12,960	11,990	..	..	3,083	776	299	No Machinery in Nos. 2 & 3 Mills, Mule Spindles in No. 1 Mill stopped from May 1928.
7.	Dunbar Mills, Ltd., „ 2						..	..	..	..	..	..	..	..	..	
8.	Dunbar Mills, Ltd., „ 3			Pref. 5,000	100											
9.	Dunbar Mills, Ltd., „ 4						..	32,400	32,400	29,834	10	7	5,026	1,314	298	
10.	Kesoram Cotton Mills, Ltd. (formerly Allied Cotton and Dye Works, Ltd.).	Messrs. Birla Bros., Ltd., Agents, 8, Royal Exchange Place, Calcutta.	42, Garden Reach Road, Calcutta.	Ord. 6,00,000	2-8-0	8,00,000	1,440	72,248	73,688	73,688	1,741	1,741	12,895	3,575	310	
				Pref. 30,000	100											
11.	Mahalaxmi Cotton Mills, Ltd.	Messrs. H. Datta & Sons, Agents, 15, Clive Row, Calcutta.	Pulta, 24 Parganahs	80,000	25	5,30,000	..	..	..	..	26	25	..	32	305	24 Looms in course of erection.
12.	*Mohini Mills, Ltd.*	Messrs. Chakravarti Sons & Co., Managing Agents, Mohini Mohan Chakravarti Street, Kushtia, Bazar (Nadia.)	Kushtia	12,000	25	4,02,747	..	13,948	13,948	10,504	447	401	1,557	748	297	700 Ring Spindles in course of erection.
				1,20,000	10											
13.	New Ring Mill Co., Ltd.	Messrs. Kettlewell, Bullen & Co., Ltd., Agents, 21, Strand Road, Calcutta.	Fuleshwar, P. O. Ulubaria, Dist. Howrah, Bengal.	Ord. 3,000	100	6,00,000	..	23,904	23,904	..	..	..	..	..	..	Not working.
				Pref. 3,000	100											
14.	‡ Rampooria Cotton Mills Co. (formerly Shri Narsing Cotton Mill).	Messrs. Hazarimall Heeralal, Owners, 148, Cotton Street, Calcutta.	Serampore, Mohesh, E. I. Ry. (Bengal).	....	..	....	..	..	....	..	644	603	..	764	307	
15.	‡ Shree Radha Krishna Cotton Mills, No. 1 (formerly Goosery Cotton Mills).	Messrs. Sadhuram Tularam, Proprietors, 122, Old Ghoosey Road, Ghusery, Howrah.	122, Old Ghusery Road, Howrah.	....	..	....	..	27,056	27,056	26,959	..	..	5,663	770	298	
16.	‡ Shree Radha Krishna Cotton Mills, No. 2 (formerly Jajodia Cotton Mills, Ltd.).		115, Girish Gosh Lane, Belur, (Howrah Dist.)	....	..	....	..	18,642	18,642	17,635	467	382		810	300	
17.	‡ Victoria Cotton Mills.	Messrs. Shaw Wallace & Co., Managing Agents, 4, Bankshall Street, Calcutta.	Ghoosery, Salkia, P. O. Howrah District.	....	..	....	..	10,809	10,809	10,809	..	..	1,333	274	303	1,000 additional Spindles will be added in April 1932.
	PUNJAB.		Total ..	....	..	1,87,04,328	19,628	3,41,455	3,61,083	3,25,123	4,870	4,656	50,652	14,887		
1.	‡ Bankteshwar Cotton Mills (formerly Amritsar Cotton Mills Co., Ltd.)	Messrs. Hurgobindrai Mathradass, Owners, Office on Mill premises.	Grand Trunk Road, Amritsar.	....	..	....	13,552	8,200	21,752	21,752	252	252	3,317	885	310	
2.	Birla Cotton Spinning and Weaving Mills, Ltd. (formerly Hanoman and Mahadeo S. & W. Mills).	Messrs. Birla Bros., Ltd., Agents, 8, Royal Exchange Place, Calcutta.	Subzimundi, Delhi	1,50,000	10	15,00,000	..	17,920	17,920	17,491	494	485	10,269	1,285	310	
3.	Delhi Cloth and General Mills Co., Ltd. No. 1	Messrs. Lala Madan Mohan Lal & L. Shri Ram, Agents, Office on Mill premises.	Rohtak Road, Delhi	42,000	25	10,00,000	9,126	11,608	20,734	19,446	774	726	19,927	2,140	309	
4.	Delhi Cloth and General Mills Co., Ltd. No. 2						..	21,388	21,388	20,335	777	694		1,055 Spg.	307	Wvg. 308
5.	Delhi Cloth and General Mills Co., Ltd. No. 3						..	15,836	15,836	9,120	483	255		531 Spg.	231	Wvg. 307
6.	† Goenka Cotton Spinning & Weaving Mills Co., Ltd.	Messrs. Parsram Harnandrai, Managing Agents, Khatra Tobacco, Delhi.	Grand Trunk Road, Delhi	....	100	9,98,200	..	..	..	..	306	..	..	..	..	Not working since March 1927.
7.	‡ Guru Ram Dass Cotton Mills	Messrs. Jawahar Singh Sundarsingh, Proprietors, Khatra Ahluvalia, Amritsar.	Grand Trunk Road, Amritsar.	....	..	....	10,000	5,000	15,000	10,966	199	115	2,413	459	311	
8.	‡ Lakhmichand Jeipooria Spg. & Wvg. Mills (formerly Khalsa Spinning and Weaving Mills).	Seth Lakhmichand Ramcowar (Proprietor), Chandni Chowk, Delhi.	Subzimundi, Delhi	....	..	....	5,472	2,752	8,224	8,000	235	226	1,392	548	308	
9.	‡ Mela Ram Cotton Mills	Hon'ble R. B. Ramsaran Das, C.I.E., Proprietor, Office on Mill premises.	Outside Bhati Gate, Mela Ram Road, Lahore	....	..	....	6,400	6,848	13,248	7,902	..	..	1,301	322	224	
10.	‡ Shri Benkateswar Cotton Spinning and Weaving Mills (formerly Bhiwani Cotton Spinning and Weaving Mill Co., Ltd.).	Messrs. Shri Ram Sardarmal, Lease holders, Office on Mill premises.	Bhiwani	....	..	....	3,648	10,736	14,384	11,500	287	230	455	600	92	Restarted work in June 1931.
			Total ..	....	..	34,98,200	48,198	1,00,188	1,48,386	1,26,372	3,607	2,983	39,074	7,825		

Note 2—This statement does not contain names of weaving mills having less than 20 looms.

† Statement not received. Figures taken from last year's statement

§ Native States and foreign territory.

5.	Coimbatore Spinning and Weaving Co., Ltd.	Messrs. T. Stanes & Co., Ltd., Agents and Secretaries, Race Course, Redfields, P. O. Coimbatore.	Annuperpalayam, Coimbatore.	14,000	100	13,84,600	..	62,508	62,508	58,626	695	523	9,252	1,732	305	
7.	Coimbatore Spinning and Weaving Co., Ltd. (formerly Coimbatore Mall Mills Co., Ltd.)		270, Mill Road, Coimbatore			£31,043 @ 12 6d										
8.	† Commonwealth Trust, Ltd., Cannanore Weaving Works.	G. H. Hodgson, Esq., General Manager, The Commonwealth Trust, Ltd., Calicut.	Cannanore.	60,000	£1	Rs. 6,88,573	..	..	..	..	219	100	..	200	..	
9.	Kaleeswarar Mills, Ltd.	Mr. P. S. Sathappa Chettiar, Banker and Secretary, Office on Mill premises.	Annuperpalayam, Coimbatore.	6,500	100	6,50,000	..	25,968	25,968	25,607	294	246	5,427	1,477	307	
10.	Krishna Cotton Mills (formerly Bezwada Spinning and Weaving Mills, Ltd).	Messrs. Luxminivas & Co., Managing Proprietors, 139, Oxford Street, Secunderabad (Deccan.)	Tadepalli, Guntur Dist.	....	..	..	..	..	..	..	112	56	..	150	182	Working from February 1931.
11.	Loyal Mills, Ltd. (formerly Tinnevelly Textiles, Ltd.)	Messrs. E. D. Sassoon & Co., Ltd., Agents, Dougall Road, Ballard Estate, Bombay.	Kovilpatti, Tinnevelly District.	20,000	100	10,00,000	..	24,247	24,247	21,642	..	..	3,923	652	305	
12.	Madras United Spinning and Wvg. Mills Co., Ltd. ..	Messrs. Karsondass Mulji Jaitha & Co., Secretaries and Treasurers, 346, Standard Buildings, Hornby Road, Fort, Bombay.	DeMellows Road, Choolai, Madras.	2,002	250	5,00,500	..	40,164	40,164	39,243	774	761	4,623	2,041	303	
13.	Madura Mills Co., Ltd., Madura.	Messrs. A. & F. Harvey, Managers.	Madura	3,68,982½	15	55,34,737	..	2,23,688	2,23,688	2,14,623	..	..	25,141	7,341	273	
14.	Madura Mills Co., Ltd., Tuticorin (formerly Coral Mills Co., Ltd.)		Tuticorin				..	73,560	73,560	73,233	..	..	10,488	2,041	311	
15.	Madura Mills Co., Ltd. Ambasamudram (formerly Tinnevelly Mills Co., Ltd.).		Ambasamudram ..				..	59,404	59,404	55,443	..	..	8,898	1,888	308	
16.	Madura Mills Co., Ltd. (Pandyan Mills, Madura) ..		Madura East				..	33,008	33,008	27,237	..	..	4,433	928	308	
17.	Mahalakshmi Textile Mills, Ltd.	Messrs. S. S. N. Lakshmana Chettiar & Co., Managing Agents, Pasumalai, P. O., Madura.	Madura	6,962	100	6,10,075	..	7,040	7,040	6,170	..	..	1,183	298	309	
18.	Malabar Spinning and Weaving Co., Ltd.	Messrs. A. L. A. R. Arunachalam Chettiar, A. L. A. R. Sathappa Chettiar and A. K. T. K. M. Narayanan Namboodripad, Agents, Kallai.	Kallai, Malabar	3,000	200	6,00,000	..	18,416	18,416	13,000	..	..	2,460	537	305	
19.	Radhakrishna Mills, Ltd.	Messrs. A. G. Guruswami Naidu & Co., Mg. Agents, Office on Mill premises.	Peelamedu, Coimbatore ..	20,000	100	8,38,579	..	25,560	25,560	24,561	..	..	4,856	896	360	
20.	† Raja Mills	Mr. M. V. Palanisamy, Proprietor, Office on Mill premises.	Madura	....	..	....	..	..	..	..	..	..	..	..	..	
21.	§ Sitaram Spg. & Wvg. Mills, Ltd.	Messrs. T. R. Anantharama Iyer & Bros., Ltd., Managing Agents, Trichur.	Trichur, Cochin State, Malabar Coast.	Ord. 19,000 / Pref. 4,000	100 / 25	12,98,575	..	12,128	12,128	12,128	323	316	2,275	1,300	290	
22.	† Somasundaram Mills, Ltd. (formerly A.R.A.R.S.M. Spinning Mills) or Vepery Cotton Mills.	Somasundaram Mill, Ltd., Office on Mill premises.	45, Barracks Road, Vepery, Madras.	14,400	100	10,75,000	..	10,400	10,400	..	..	..	..	..	..	Mill not working since 1926. In voluntary liquidation.
23.	Sree Meenakshi Mills, Ltd.	Messrs. A. R. M. T. T. Thiagaraja Chetty & Co., Managing Agents, Office on Mill premises.	Thiruppara mkundram Road, Madura.	Ord. 53,356 / Pref. 23,538	20	15,03,605	..	21,048	21,048	18,718	..	..	4,755	762	308	
24.	Sri Ramachandra Spg. & Wvg. Mills	Messrs. K. Bhamireddi, D. Subbareddi, Sula Veerabadrudu & Brother and V. Ramayya, Proprietors, Office on Mill premises.	Pandalapaka, Godavary District.	4	30,000	1,20,000	..	4,004	4,004	4,004	..	..	508	280	303	
25.	Sri Ranga Vilas Ginning, Spg. & Wvg. Mills, Ltd. ..	Messrs. P. S. Govindaswami Naidu & Sons, Mg. Agents, Office on Mill premises.	Peelamedu, Coimbatore ..	15,025	100	11,26,875	468	25,112	25,580	25,580	..	..	3,808	609	304	
26.	Sri Suryanarayana Spg. & Wvg. Mills, Ltd.	Mr. Vanka Venkatarathnam, Manager and Treasurer, Office on Mill premises.	Pandalapaka, Godavary District.	9,971	25	2,49,275	..	2,736	2,736	2,700	..	..	287	142	300	
27.	Vasanta Mills, Ltd.	Messrs. R. K. Shanmukkam Chetty & Bros., Managing Agents and Secretaries, Office on Mill premises.	Singanallur, Coimbatore ..	6,000	100	5,61,250	..	10,476	10,476	8,716	..	..	1,030	325	181	
			Total ..	....	..	3,01,31,569	468	7,98,735	7,99,203	7,39,016	5,201	4,778	1,19,831	33,744		
	MYSORE.															
1.	§ Bangalore Woollen, Cotton & Silk Mills Co., Ltd. ..	Messrs. Binny & Co. (Madras), Ltd., Agents, Secretaries and Treasurers, Office on Mill premises.	Agraram Road, Bangalore City.	26,250	100	26,25,000	..	40,000	40,000	35,398	1,000	1,000	7,103	3,633	291	
2.	§ Minerava Mills, Ltd.	Messrs. N. Sirur & Co., Mg. Agents, Temple Bar Building, Esplanade Road, Fort, Bombay.	Bangalore	23,000	100	24,53,513	..	31,616	31,616	30,394	440	381	5,368	1,595	302	
3.	§ Mysore Spinning and Manufacturing Co., Ltd. No. 1.		Tumkur Road, Malleshwaram, Bangalore City.	25,000	50	12,44,600	..	44,600	44,600	40,320	500	469	6,673	1,903	302	
4.	§ Sri Krishna Rajendra Mills, Ltd.	Mr. M. A. Srinivasan, Manager, Post Box No. 101, Statue Square, Mysore.	Siddalingapur, Mysore	80,000	25	18,34,850	..	26,124	26,124	21,429	..	..	2,288	507	286	
5.	§ Yeshwantpur Silk and Cotton Mills (Bangalore Spg. and Weaving Mill).	Messrs. D. T. & Co., Agents, Chickpet, Bangalore City.	Yeshwantpur, Bangalore City.	....	..	1,00,000	..	..	..	..	100	23	..	43	300	
			Total ..	....	..	82,57,963	..	1,42,340	1,42,340	1,27,541	2,040	1,873	21,432	7,837		
	PONDICHERRY.															
1.	§ Anglo-French Textile Co., Ltd. (Rodier Mill) ..	Messrs. Best & Co., Ltd., Proprietors and Managers, Post Box 63, Madras.	Pondicherry ..	Pref. 3,658 / Ord. 100,000	£10 / £1	£136,580 ex. @ 12 6d Rs. 20,78,733	..	42,944	42,944	42,471	883	747	7,320	3,252	256	
2.	§ Etablissment Textile De Modeliarpeth S. A. (formerly The Pondicherry Cotton Mills, Ltd.).	Society Anonyme. Agents, Office on Mill premises.	Modeliarpet, Pondicherry.	2,500	100	2,50,000	..	10,000	10,000	10,000	210	210	1,500	700	250	
3.	§ "Savana" Societe Anonyme de filature Tissage Mecanique.	Mr. Charles Goudey, Administrator Director, Pondicherry.	Savana (Inde-francaise), Pondicherry.	1,00,000	Fcs. 100	Fcs. 1,00,00,000 Ex. Rs. 34,27,500	..	20,000	20,000	20,000	647	469	1,200	1,350	233	
			Total ..	....	..	57,56,233	..	72,944	72,944	72,471	1,740	1,426	10,020	5,302		
	BURMA.															
1.	‡ Consolidated Cotton & Oil Mills, Ltd. Spinning Mill (formerly Burma Spinning and Weaving Co., Ltd.).	Messrs. Steel Bros. & Co., Ltd., Managing Agents, Merchant Street, Post Box No. 132, Rangoon.	Myingyan, (Upper Burma).	....	..	....	..	12,320	12,320	12,300	..	..	4,400	820	320	
			Total ..	....	..	....	..	12,320	12,320	12,300	..	..	4,400	820		
			GRAND TOTAL ..	....	..	¶ 40,20,30,995	8,02,768	85,09,185	93,11,953	80,93,714	1,82,429	1,57,609	13,16,588	3,95,475	..	
	CEYLON.															
1.	Ceylon Spinning and Weaving Co., Ltd. ..	Messrs. Carrimbhoy Ebrahim & Sons, Ltd., Agents, 12-14, Outram Road, Fort, Bombay.	Havelock Road, Wellawatte, Colombo, Ceylon.	12,000	100	11,95,125	468	16,820	17,288	16,735	538	509	2,756	1,130	291	

* The Capital of Mill No. 8 (Bilji Mills) in U. P. is included in the share capital of David Mill Co., Ltd. (*vide* Part I, 17 and 18).

¶ The Grand Total of paid up Capital does not include the figures for 43 Mills which made no returns as to Capital or the capital of mills in course of erection.

‡ Proprietory concern.

T. MALONEY, *Secretary.*

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MILL STATEMENT FOR 1931

AND

SPINNING AND WEAVING SUPPLEMENT.

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